

Condensed Interim Consolidated Financial Statements of:

**Unidoc Health Corp.**

For the Three and Nine Months Ended December 31, 2022 and 2021

Expressed in Canadian Dollars

## **NOTE TO READER**

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these interim financial statements.

**Unidoc Health Corp.**  
Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian dollars)

As at	Note	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)
<b>ASSETS</b>			
<b>Current</b>			
Cash		\$ 92,291	\$ 854,430
Prepaid expenses and deposits		85,345	90,263
GST receivable		68,308	58,613
		245,944	1,003,306
Equipment	5	95,072	83,009
Right-of-use asset	6	65,487	89,062
Security deposits		2,503	2,503
<b>TOTAL ASSETS</b>		<b>\$ 409,006</b>	<b>\$ 1,177,880</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	7	\$ 823,289	\$ 642,318
Lease liability	8	27,257	24,750
		850,546	667,068
Lease liability	8	33,768	54,536
<b>TOTAL LIABILITIES</b>		<b>884,314</b>	<b>721,604</b>
<b>Equity</b>			
Share capital	10	2,762,655	2,762,655
Reserves	10	935,887	935,887
Deficit		(4,173,850)	(3,242,266)
		(475,308)	456,276
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 409,006</b>	<b>\$ 1,177,880</b>

Going concern (Note 2)

Approved on behalf of the Board of Directors on February 28, 2023:

"Antonio Baldassarre" (signed)  
Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Unidoc Health Corp.**

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Unaudited - Expressed in Canadian dollars)

		<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>Note</b>	<b>December 31,</b>		<b>December 31,</b>	
		<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>EXPENSES</b>					
Advertising		\$ 12,535	\$ 58,622	\$ 144,986	\$ 150,155
Consulting	9	118,372	206,347	393,469	459,850
Depreciation	5,6	15,543	3,227	46,199	3,631
Foreign exchange (gain)/loss		22,661	3,498	22,252	5,745
Interest expense	8	2,110	-	6,919	-
Investor relations		-	67,234	63,737	163,584
Office and administrative		19,667	17,097	71,298	21,077
Professional fees		15,138	196,858	93,211	415,980
Regulatory and filing fees		3,823	5,006	7,220	23,650
Research and development	9	-	201,148	12,091	353,016
Salaries and benefits		22,364	-	69,653	-
Share-based compensation		-	242,497	-	372,981
Software		155	4,377	549	4,437
<b>NET LOSS AND</b>					
<b>COMPREHENSIVE LOSS</b>					
		\$ 232,368	\$ 1,005,911	\$ 931,584	\$ 1,974,106
<b>Weighted average number</b>					
<b>of shares outstanding -</b>					
<b>basic and diluted</b>					
		10,933,350	9,264,075	10,933,350	6,937,823
<b>Loss per share - Basic and</b>					
<b>diluted</b>					
		\$ (0.02)	\$ (0.11)	\$ (0.09)	\$ (0.28)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Unidoc Health Corp.**

Condensed Interim Consolidated Statement of Changes in Equity  
(Unaudited - Expressed in Canadian dollars)

	<b>Number of common shares</b>	<b>Share capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total equity</b>
Balance at March 31, 2021	7,200,000	\$ 85,591	\$ 15,000	\$ (237,322)	\$ (136,731)
Special warrants financing	-	-	3,440,125	-	3,440,125
Issuance costs	-	-	(422,524)	-	(422,524)
Deemed exercise of special warrants	2,752,100	2,468,713	(2,468,713)	-	-
Exercise of unit warrants	15,500	3,115	(16)	-	3,099
Capital contribution	-	11,120	-	-	11,120
Grant of options	-	-	372,981	-	372,981
Net loss for the period	-	-	-	(1,974,106)	(1,974,106)
Balance at December 31, 2021	9,967,600	\$ 2,568,539	\$ 936,853	\$ (2,211,428)	\$ 1,293,964
Balance at March 31, 2022	10,933,350	\$ 2,762,655	\$ 935,887	\$ (3,242,266)	\$ 456,276
Net loss for the period	-	-	-	(931,584)	(931,584)
Balance at December 31, 2022	10,933,350	\$ 2,762,655	\$ 935,887	\$ (4,173,850)	\$ (475,308)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**Unidoc Health Corp.**  
Condensed Interim Consolidated Statement of Cash Flows  
(Unaudited - Expressed in Canadian dollars)

	<b>Nine months ended December 30, 2022</b>	<b>Nine months ended December 30, 2021</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (931,584)	\$ (1,974,106)
Non-cash items:		
Depreciation	46,199	3,631
Share-based compensation	-	372,981
Changes in non-cash working capital:		
Decrease (increase) in prepaid expenses and deposits	4,918	(505,952)
Increase in GST receivable	(9,695)	(28,521)
Increase in security deposits	-	(4,418)
Increase in accounts payable	163,246	506,230
<b>Cash used in operating activities</b>	<b>(726,916)</b>	<b>(1,603,155)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of equipment	(16,962)	(45,042)
<b>Cash used in investing activities</b>	<b>(16,962)</b>	<b>(45,052)</b>
<b>FINANCING ACTIVITIES</b>		
Cash proceeds from the issuance of special warrants	-	3,017,601
Cash proceeds from the exercise of unit warrants	-	3,099
Repayment of loans	-	(200,000)
Capital contribution	-	11,120
Principal portion of lease liability payments	(18,261)	-
<b>Cash (used in) provided by financing activities</b>	<b>(18,261)</b>	<b>2,831,820</b>
<b>NET CHANGE IN CASH</b>	<b>(762,139)</b>	<b>1,156,613</b>
CASH, BEGINNING	854,430	281,844
<b>CASH, ENDING</b>	<b>\$ 92,291</b>	<b>\$ 1,438,457</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -
Equipment additions in accounts payable and accrued liabilities	\$ 17,725	\$ -

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## **Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

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### **1. NATURE OF BUSINESS**

Unidoc Health Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on February 1, 2021 as Unicheck Holdings Corp. and changed its name to Unidoc Health Corp. on April 8, 2021. Unicheck Holdings Corp., a wholly-owned subsidiary of the Company, was incorporated under the Business Corporations Act of British Columbia on April 8, 2021.

The Company is in the business of virtual health/telemedicine. The Company plans to operate virtual/telehealth units which provide patients with the ability to have a live virtual visit with a doctor or other health professional. The units will contain fully integrated diagnostic tools and will operate in pharmacies through partnerships with the Company.

The registered office of the Company is located at 750 Pender Street West, Suite 1200 Vancouver, British Columbia V6C 2T7, Canada.

### **2. GOING CONCERN**

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has not generated any revenues or cash flows from operations and relies on financing for its activities. The Company’s ability to continue as a going concern is dependent upon raising additional capital or evaluating strategic alternatives. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these financial statements, adjustments would be necessary to the statement of financial position classifications used. Such adjustments could be material.

These condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. On March 11, 2020, the outbreak of the novel strain of coronavirus specifically identified as “COVID-19” was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Conditions surrounding COVID-19 continue to rapidly evolve and the efficacy of the government and central bank interventions is unknown at this time.

It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**3. BASIS OF PRESENTATION****Statement of Compliance**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited financial statements for the year ended March 31, 2022.

The Company’s management makes judgments in its process of applying the Company’s accounting policies in the preparation of its unaudited condensed interim consolidated financial statements. In addition, the preparation of the financial data requires that the Company’s management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company’s assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company’s assets and liabilities are accounted for prospectively. The critical judgments and estimates applied in the preparation of the Company’s unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s financial statements for the year ended March 31, 2022. The accounting policies applied in these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended March 31, 2022.

The Company’s interim results are not necessarily indicative of its results for a full year.

**Basis of Presentation**

These condensed interim consolidated financial statements have been prepared on a historical cost basis and presented in Canadian dollars which is the functional currency of the Company. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information. The condensed interim consolidated financial statements have been prepared on a historical cost basis except for warrants and options, which are measured at fair value.

**Basis of Consolidation**

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary. Subsidiaries are those entities over which the Company has control. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity and be exposed to variable returns from its activities. Details of the Company’s subsidiary are follows:

<b>SUBSIDIARIES</b>	<b>OWNERSHIP PERCENTAGE</b>	<b>JURISDICTION OF INCORPORATION</b>
Unicheck Holdings Corp.	100%	British Columbia, Canada

Inter-company balances and transactions are eliminated on consolidation.



**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

**4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT****Financial Instruments**

The Company's financial instruments are comprised of cash, accounts payable and accrued liabilities and its loans payable. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 - Inputs that are not based on observable market data (unobservable inputs).

As at December 31, 2022 the fair value of cash held by the Company was based on Level 1 of the fair value hierarchy. The fair values of GST receivable, other receivable and accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

*Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset backed commercial paper. Credit risk is not concentrated with any particular customer. The Company's accounts receivable consists only of GST receivable.

The Company's maximum credit risk exposure is \$160,599.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company seeks to ensure there is sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. As at September 30, 2022, the Company had a cash balance of \$92,291 to settle current liabilities of \$850,546.

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**5. EQUIPMENT**

The medical cart demonstration units includes three demonstration units, the intention of which is to demonstrate the effectiveness of the Company's virtual care solutions model to generate future sales. The units are sent to prospective customers for demonstration purposes and are not intended for sale.

		<b>Medical cart demonstration units</b>		<b>Computer equipment</b>		<b>Total</b>
<b>Cost</b>						
Balance, March 31, 2021	\$	-	\$	-	\$	-
Additions		66,272		26,746		93,018
Balance, March 31, 2022		66,272		26,746		93,018
Additions		34,687		-		34,687
Balance, December 31, 2022	\$	100,959	\$	26,746	\$	127,705
<b>Accumulated depreciation</b>						
Balance, March 31, 2021	\$	-	\$	-	\$	-
Depreciation		5,700		4,309		10,009
Balance, March 31, 2022		5,700		4,309		10,009
Depreciation		12,593		10,031		22,624
Balance, December 31, 2022	\$	18,293	\$	14,340	\$	32,633
<b>Net book value</b>						
<b>March 31, 2022</b>	<b>\$</b>	<b>60,572</b>	<b>\$</b>	<b>22,437</b>	<b>\$</b>	<b>83,009</b>
<b>December 31, 2022</b>	<b>\$</b>	<b>82,666</b>	<b>\$</b>	<b>12,406</b>	<b>\$</b>	<b>95,072</b>

**6. RIGHT-OF-USE ASSET**

During the year ended March 31, 2022, the Company entered into a lease agreement to lease an office space for an initial term of 36 months (Note 8). The lease commenced on February 1, 2022 and the related right-of-use asset was recorded.

		<b>Building</b>
<b>Cost</b>		
Balance, March 31, 2021	\$	-
Additions		94,301
Balance, March 31, 2022 and December 31, 2022	\$	94,301
<b>Accumulated depreciation</b>		
Balance, March 31, 2021	\$	-
Depreciation		5,239
Balance, March 31, 2022		5,239
Depreciation		23,575
Balance, December 31, 2022	\$	28,814
<b>Net book value</b>		
<b>Balance, March 31, 2022</b>	<b>\$</b>	<b>89,062</b>
<b>Balance, December 31, 2022</b>	<b>\$</b>	<b>65,487</b>

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>December 31,</b>		<b>March 31,</b>
	<b>2022</b>		<b>2022</b>
Accounts payable	\$ 554,551	\$	428,856
Accrued liabilities	268,738		282,727
<b>Total</b>	<b>\$ 823,289</b>	<b>\$</b>	<b>711,583</b>

**8. LEASE LIABILITY**

During the year ended March 31, 2022, the Company entered into a lease agreement to lease an office space for an initial term of 36 months. The expiry date of the lease is January 1, 2025. Upon expiration, the Company is entitled to renew the lease for an additional 36 month term on written notice of not less than 6 months prior to expiry of the initial term. Additional payments consisting of utilities and additional rent are expensed as incurred. The lease commenced on February 1, 2022 and the related lease liability was recorded.

		<b>Building</b>
<b>Lease liability</b>		
Balance, March 31, 2021	\$	-
Additions		83,110
Interest expense		1,771
Lease payments		(5,595)
Balance, March 31, 2022		79,286
Interest expense		6,919
Lease payments		(25,180)
<b>Balance, December 31, 2022</b>	<b>\$</b>	<b>61,025</b>
<b>Current portion</b>	<b>\$</b>	<b>27,257</b>
<b>Long-term portion</b>	<b>\$</b>	<b>33,768</b>
	<b>\$</b>	<b>61,025</b>

At December 31, 2022, the Company is committed to minimum lease payments as follows:

<b>Maturity analysis</b>		
Less than one year	\$	33,573
One to five years		36,371
<b>Total undiscounted lease liabilities</b>	<b>\$</b>	<b>69,944</b>

**9. RELATED PARTY TRANSACTIONS**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All amounts either due from or due to related parties other than specifically disclosed are non-interest bearing, unsecured and have no fixed terms of repayments.

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**9. RELATED PARTY TRANSACTIONS (CONTINUED)**

- a) Related party transactions with directors, subsequent and former directors and companies and entities over which they have significant influence over:

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021	2022	2021
Consulting (i)	\$ 39,774	\$ 57,526	\$ 131,896	\$ 134,460
Research and development (i)	\$ -	\$ 201,148	\$ 12,091	\$ 353,016
Share-based compensation (ii)	\$ -	\$ 47,448	\$ -	\$ 47,448

(i) To a company controlled by a director of the Company.

(ii) To directors of the Company.

- b) Key management compensation

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021	2022	2021
Consulting (iii)	\$ 49,998	\$ 45,000	\$ 149,994	\$ 135,000
Share-based compensation (iv)	\$ -	\$ 10,544	\$ -	\$ 75,786

(iii) To a company controlled by the CEO.

(iv) To the CEO and CFO.

As at December 31, 2022, accounts payable and accrued liabilities included \$61,086 (March 31, 2022 - \$10,200) due to a company controlled by the CEO of the Company, \$nil (March 31, 2022 - \$17,085) due to the CEO of the Company and \$276,654 (March 31, 2022 - \$265,897) due to a company controlled by a director of the Company. The balances due bear no interest, are unsecured, and are due on demand.

**10. EQUITY****(a) Share Capital*****Authorized***

Unlimited number of common shares without par value.

***Issued***

There was no share capital activity during the nine months ended December 31, 2022.

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**10. EQUITY (CONTINUED)**For the nine months ended December 31, 2021:

On June 22, 2021, the Company closed a private placement financing of 2,752,100 special warrants (the “Special Warrants”) at \$1.25 per Special Warrant for gross proceeds of \$3,440,125. Each of the Special Warrants entitles the holder to acquire one common share in the capital of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”) for no additional consideration upon voluntary exercise prior to, or deemed exercise on the earlier of: (a) October 23, 2021; and (b) the third business day after a receipt is issued for the Final Prospectus (the “Exercise Date”). Each Warrant will entitle the holder to acquire one additional common share in the capital of the Company at an exercise price of \$2.50 for a period of 24 months following the Exercise Date.

Upon issuance, the Special Warrants were initially recorded at their estimated fair value which is based on the amount of cash subscriptions received.

In conjunction with the financing, the Company incurred issuance costs of \$422,524 and issued 165,207 broker warrants with a fair value of \$72,018. Each broker warrant is exercisable at \$1.75 until June 22, 2023. The fair value of the broker warrants of \$0.43 per warrant was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 2 year expected life; share price at the grant date of \$1.077; 100% volatility; risk free interest rate of 0.3%; and a dividend yield of 0%.

On September 30, 2021, the Company entered into a contribution agreement with a company controlled by the CEO whereby the related party agreed to make a capital contribution of \$11,120 to the Company.

On October 23, 2021 the 2,752,100 Special Warrants were deemed to have been exercised which resulted in the issuance of 2,752,100 common shares and 1,376,050 Warrants. As a result of the deemed exercise of the Special Warrants, \$2,468,713 was reclassified from reserves to share capital. The fair value of the Warrants was estimated to be \$476,870 using the Black-Scholes option pricing model with the following weighted average assumptions: a 2 year expected life; share price at the grant date of \$1.077; 100% volatility; risk free interest rate of 0.3%; and a dividend yield of 0%.

During the nine months ended December 31, 2021, the Company issued 15,500 common shares in connection with the exercise of Unit Warrants for proceeds of \$3,099. As a result, \$16 was reclassified from reserves to share capital.

***Escrow***

Pursuant to an escrow agreement dated June 24, 2021 (the “NP 46-201 Escrow Agreement”) among the Company, Odyssey Trust Company as escrow agent, and certain principals of the Company, 2,200,000 common shares and 250,000 stock options were deposited into escrow. 10% of the escrowed securities were released on the date the Company’s common shares were listed for trading on the CSE, which was December 13, 2021 (the “Listing Date”) and the remaining escrowed securities are scheduled for release in 15% tranches every six months thereafter.

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Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

**10. EQUITY (CONTINUED)**

An aggregate of 7,200,000 common shares are subject to voluntary resale restrictions (“Voluntary Resale Restrictions”) pursuant to which 10% of such shares will be released on the date that is 12 months after the Listing Date with the remaining shares being released in 15% tranches every four months thereafter.

In addition, an aggregate of 15,000,000 Unit Warrants (including underlying securities) were subject to escrow pursuant to which 25% of the Unit Warrants were released on the Listing Date, and the remaining Unit Warrants will be released in 25% tranches every six months thereafter.

As of the date hereof, 100,000 stock options have been released from the NP 46-201 Escrow Agreement and 11,250,000 Unit Warrants have been released from escrow. 1,600,000 common shares have been released from the NP 46-201 Escrow Agreement but remain subject to the Voluntary Resale Restrictions.

**(b) Warrants**

The continuity of warrants for the nine months ended December 31, 2022 and year ended March 31, 2022 is summarized below:

	Number of warrants	Weighted average exercise price	Weighted average life remaining
		\$	
Balance, March 31, 2021	-	-	-
Issued	2,522,507	1.67	1.24
Balance, March 31, 2022 and December 31, 2022	2,522,507	1.67	1.24

As at December 31, 2022, the number of warrants outstanding and exercisable are as follows:

Number of warrants	Price	Expiry date
	\$	
1,376,050	2.50	October 25, 2023
165,207	1.75	June 22, 2023
981,250	0.50	December 13, 2024

**(c) Unit Warrants**

The continuity of Unit Warrants for the nine months ended December 31, 2022 and year ended March 31, 2022 is summarized below:

	Number of warrants	Weighted average exercise price	Weighted average life remaining
		\$	
Balance, March 31, 2021	15,000,000	0.20	2.95
Exercised	(981,250)	0.20	N/A
Balance, March 31, 2022 and December 31, 2022	14,018,750	0.20	1.95

**Unidoc Health Corp.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**10. EQUITY (CONTINUED)****(b) Special Warrants**

The continuity of Special Warrants for the nine months ended December 31, 2022 and year ended March 31, 2022 is summarized below:

	Number of warrants	Weighted average exercise price	Weighted average life remaining
			\$
Balance, March 31, 2021	2,752,100	-	-
Exercised	(2,752,100)	-	N/A
Balance, March 31, 2022 and December 31, 2022	-	-	-

**(b) Options**

On April 16, 2021, the Company has finalized its Stock Option Plan (the “Plan”) which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and technical consultants and contractors to the Company, non-transferable options to purchase common shares of the Company.

All options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan. The number of shares which will be available for purchase pursuant to an option will be equal to the number of shares as determined by the Board of Directors from time to time, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. If any option expires or otherwise terminates for any reason without having been exercised in full, the number of shares in respect of such expired or terminated option shall again be available for the purposes of granting options pursuant to the Plan.

The grant date and the expiry date of an option shall be the dates fixed by the Board of Directors at the time the option is granted and shall be set out in the option certificate issued in respect of such option. The exercise price shall also be determined by the Board of Directors and set out in the option certificate issued in respect of the option. If the Company’s shares are listed on a stock exchange, the exercise price will not be lower than the greater of the last closing price for the shares as quoted on the trading day prior to the grant date and the grant date.

On April 30, 2021, the Company issued 500,000 stock options exercisable at \$0.50 for a period of 2 years to directors, officers and consultants. The stock options vested immediately. The fair value of the options of \$130,484 was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 2 year expected life; share price at the grant date of \$0.50; 100% volatility; risk free interest rate of 0.3%; and a dividend yield of 0%.

On December 6, 2021, the Company issued 430,000 stock options exercisable at \$1.25 for a period of 2 years to directors, officers and consultants. The stock options vested immediately. The fair value of the options of \$226,695 was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 2 year expected life; share price at the grant date of \$1.08; 100% volatility; risk free interest rate of 1.06%; and a dividend yield of 0%.

**Unidoc Health Corp.**

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For the Nine Months Ended December 31, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**10. EQUITY (CONTINUED)**

On December 10, 2021, the Company issued 30,000 stock options exercisable at \$1.25 for a period of 2 years to consultants. The stock options vested immediately. The fair value of the options of \$15,802 was determined using the Black-Scholes option pricing model with the following weighted average assumptions: a 2 year expected life; share price at the grant date of \$1.08; 100% volatility; risk free interest rate of 0.97%; and a dividend yield of 0%.

The continuity of stock options for the nine months ended December 31, 2022 and the year ended March 31, 2022 is summarized below:

	Options outstanding	Weighted average exercise price	Weighted average fair value	Weighted average life remaining
		\$	\$	
Balance, March 31, 2021	-	-	-	-
Issued	960,000	0.86	0.39	0.62
Balance, March 31, 2022 and December 31, 2022	960,000	0.86	0.39	0.62

The following table discloses the number of options outstanding as at December 31, 2022:

Number of options	Price per share	Expiry date	Number of options vested
	\$		
500,000	0.50	April 30, 2023	500,000
430,000	1.25	December 6, 2023	430,000
30,000	1.25	December 10, 2023	30,000
960,000			960,000

**11. COMMITMENTS**

The Company entered into a consulting agreement dated effective February 24, 2021 with a company controlled by the CEO and is committed to the following fee structure for the next three years:

- \$15,000 per month for the first year of service;
- \$16,667 per month for the second year of service; and
- \$20,000 per month for the third year of service.

Notwithstanding the above, the consulting fees will increase to \$25,000 per month once the Company has earned a profit.

The agreement has a three-year term which may be terminated by the company controlled by the CEO with a lump sum cash severance payment equal to 18 months of such company's aggregate monthly consulting fee currently in effect at the effective date of termination, subject to a minimum monthly consulting fee rate equal to \$16,667. If the agreement terminated for cause, the foregoing severance will not be payable.



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**11. COMMITMENTS (CONTINUED)**

The Company entered into a consulting agreement dated effective February 28, 2021 with a company controlled by a director of the Company and is committed to the following fee structure for the next three years:

- US\$10,000 per month for the first year of service;
- US\$11,667 per month the second year of service; and
- US\$13,333 per month for the third year of service.

Notwithstanding the above, the consulting fees will increase to US\$15,000 per month once the Company has earned a profit.

The Company has the right to terminate the agreement at any time for a lump sum severance payment of 18 months of the monthly consulting fee in effect at the time of termination subject to a minimum monthly consulting fee rate equal to US\$11,667.

**12. CAPITAL MANAGEMENT**

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity which is comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at December 31, 2022.