

NexTech AR Solutions Corp.

Unaudited Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at

	December 31, 2022	December 31, 2021
Assets		
Current assets		
Cash & cash equivalents (Note 3)	\$ 3,777,117	\$ 7,237,296
Receivables (Note 4)	744,331	1,081,164
Deferred asset (Note 6)	256,818	-
Contract asset (Note 14)	332,197	386,202
Prepaid expenses (Note 5)	310,906	749,474
Inventory	45,289	3,389,098
Non-current assets held for sale (Note 16)	501,188	-
	5,967,846	12,843,234
Non-current assets		
Equipment (Note 7)	278,463	377,242
Right-of-use asset (Note 8)	829,278	1,079,319
Intangible assets (Note 9)	3,307,399	6,419,934
Goodwill (Note 9)	6,755,892	8,790,529
Total assets	\$ 17,138,878	\$ 29,510,258
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 11)	\$ 2,641,918	\$ 2,759,017
Deferred revenue (Note 14)	437,746	609,001
Lease liability (Note 8)	222,250	290,357
Liabilities associated with assets held for sale (Note 16)	92,532	-
	3,394,446	3,658,375
Non-current liabilities		
Lease liability (Note 8)	582,586	786,755
Deferred income tax liability	(47,113)	712,215
Loan payable	-	90,896
Total liabilities	3,929,919	5,248,241
Shareholders' Equity		
Share capital (Note 12)	83,271,706	70,570,760
Reserves	12,754,708	12,649,994
Shareholder's equity attributable to Nextech shareholders	(84,991,503)	(58,958,737)
Non-controlling interest	2,174,048	-
	13,208,959	24,262,017
Total liabilities and shareholders' equity	\$ 17,138,878	\$ 29,510,258

NexTech AR Solutions Corp.

Unaudited Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended December 31, 2022	Year ended December 31, 2021
Revenue (Note 14)	\$ 3,224,791	\$ 6,689,849
Cost of sales (Note 15)	(1,593,076)	(4,821,321)
Gross profit	1,631,715	1,868,528
Operating expenses:		
Sales and marketing (Note 15)	5,013,367	10,437,523
General and administrative (Note 15)	13,377,575	9,683,311
Research and development (Note 15)	3,892,208	6,609,471
	22,283,150	26,730,305
Other expense (income)		
Stock-based compensation (Note 12)	1,715,690	5,030,449
Amortization (Note 10)	2,680,258	2,050,147
Right of use amortization (Note 9)	76,905	44,861
Gain on liability	(381,019)	(219,321)
Gain on contingent consideration	-	(1,573,308)
Depreciation (Note 8)	95,152	114,733
Impairment of intangible assets (Note 10)	3,178,426	-
Foreign exchange gain	(1,422,668)	(267,725)
	5,942,744	5,179,836
Loss before income taxes	(26,594,179)	(30,041,613)
Current income tax expense	(36,079)	(28,512)
Deferred income tax recovery	673,301	205,898
Net loss from operations	\$ (25,956,957)	\$ (29,864,227)
Income (loss) from discontinued operations (Note 17)	\$ (1,341,111)	\$ (2,787,826)
Other comprehensive loss		
Exchange differences on translating foreign operations, continuing operations	(121,940)	183,137
Exchange differences on translating foreign operations, discontinued operations (Note 17)	(310,905)	43,715
Total comprehensive loss	\$ (27,730,913)	\$ (32,425,201)
Non-controlling interests	(438,201)	-
Total comprehensive loss attributable to Nextech shareholders	\$ (27,292,712)	\$ (32,425,201)
Income (loss) per common share		
Basic and diluted loss per common share, continuing operations	(0.26)	(0.35)
Basic and diluted loss per common share, discontinued operations	(0.02)	(0.03)
Weighted average number of common shares outstanding		
Basic and diluted	100,201,691	83,888,487