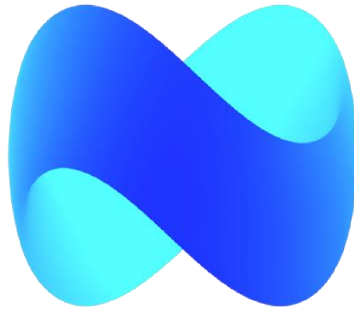




**nextech AR**  
s o l u t i o n s

**NEXTECH3D.AI CORPORATION**  
**(formerly NexTech AR Solutions Corp.)**

**Condensed Interim Consolidated Financial Statements**

**For the three and six months ended September 30, 2025 and 2024**

(Unaudited - Expressed in Canadian dollars)

**Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Six Months Ended September 30, 2025 and 2024**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of NexTech3D.AI Corporation for the interim periods ended September 30, 2025 and 2024 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Davidson & Company LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

November 07, 2025

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in Canadian dollars)

|                                                           | Note  | September 30,<br>2025 | March 31,<br>2025    |
|-----------------------------------------------------------|-------|-----------------------|----------------------|
|                                                           |       | \$                    | \$                   |
| <b>ASSETS</b>                                             |       |                       |                      |
| <b>Current</b>                                            |       |                       |                      |
| Cash and cash equivalents                                 | 5     | 486,104               | 16,311               |
| Short term investment                                     |       | 103,403               | 251                  |
| Receivables                                               | 6     | 815,923               | 182,467              |
| Current portion of net investment in sublease             | 8     | 192,330               | 189,437              |
| Prepaid expenses and deposits                             |       | 175,031               | 101,789              |
|                                                           |       | <b>1,772,791</b>      | <b>490,255</b>       |
| Net investment in sublease                                | 8     | <b>399,310</b>        | <b>514,842</b>       |
| <b>Total assets</b>                                       |       | <b>2,172,101</b>      | <b>1,005,097</b>     |
| <b>LIABILITIES</b>                                        |       |                       |                      |
| <b>Current</b>                                            |       |                       |                      |
| Accounts payable and accrued liabilities                  | 9, 13 | 3,006,748             | 3,440,815            |
| Deferred revenue                                          | 14(b) | 582,608               | 498,171              |
| Current portion of lease liability                        | 8     | 143,468               | 150,417              |
|                                                           |       | <b>3,732,824</b>      | <b>4,089,403</b>     |
| Lease liability                                           | 8     | <b>256,777</b>        | <b>338,688</b>       |
| <b>Total liabilities</b>                                  |       | <b>3,989,601</b>      | <b>4,428,091</b>     |
| <b>SHAREHOLDERS' DEFICIENCY</b>                           |       |                       |                      |
| Share capital                                             | 11(b) | 98,508,310            | 96,963,333           |
| Reserves                                                  |       | 21,271,827            | 20,301,785           |
| Accumulated other comprehensive income                    |       | 598,648               | 565,183              |
| Shareholder's equity attributable to Nextech shareholders |       | <b>(125,367,905)</b>  | <b>(124,254,816)</b> |
| Total common shareholders' equity                         |       | <b>(4,989,120)</b>    | <b>(6,424,515)</b>   |
| Non-controlling interest                                  |       | 3,171,620             | 3,001,521            |
| <b>Total equity</b>                                       |       | <b>(1,817,500)</b>    | <b>(3,422,994)</b>   |
| <b>Total liabilities and shareholders' equity</b>         |       | <b>2,172,101</b>      | <b>1,005,097</b>     |

Approved and authorized for issue on behalf of the Board of Directors:

*/s/ "Evan Gappelberg "*  
Director

*/s/ "Anthony Pizzonia"*  
Director

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

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except per share amounts and number of shares)

|                                                              |           | Three months ended<br>September 30, |             | Six months ended<br>September 30, |             |
|--------------------------------------------------------------|-----------|-------------------------------------|-------------|-----------------------------------|-------------|
|                                                              | Note      | 2025                                | 2024        | 2025                              | 2024        |
|                                                              |           | \$                                  | \$          | \$                                | \$          |
| Revenue                                                      | 17(a)     | <b>390,755</b>                      | 756,476     | <b>718,847</b>                    | 1,865,417   |
| Cost of sales                                                | 16, 18(a) | <b>(48,510)</b>                     | (218,973)   | <b>(80,978)</b>                   | (507,441)   |
| <b>Gross profit</b>                                          |           | <b>342,245</b>                      | 537,503     | <b>637,869</b>                    | 1,357,976   |
| <b>Operating expenses</b> Sales and                          |           |                                     |             |                                   |             |
| Sales and marketing                                          | 18(b)     | <b>191,734</b>                      | 556,889     | <b>338,201</b>                    | 948,921     |
| General and administrative                                   | 16, 18(c) | <b>447,408</b>                      | 959,512     | <b>875,300</b>                    | 2,548,598   |
| Research and development                                     | 18(d)     | <b>144,534</b>                      | 267,016     | <b>316,933</b>                    | 612,167     |
| Share-based compensation                                     | 14(e), 16 | <b>107,722</b>                      | (298,760)   | <b>167,629</b>                    | (152,730)   |
| Depreciation                                                 | 10        | -                                   | 35,066      | -                                 | 70,269      |
| <b>Operating loss</b>                                        |           | <b>(549,153)</b>                    | (982,230)   | <b>(1,060,194)</b>                | (2,669,249) |
| <b>Other income/ (expenses)</b>                              |           |                                     |             |                                   |             |
| Loss on asset disposal                                       |           | -                                   | (77,251)    | -                                 | (77,251)    |
| Equipment write-off                                          |           | -                                   | (236,736)   | -                                 | (236,736)   |
| Foreign exchange gain/(loss)                                 |           | <b>(3,803)</b>                      | (17,888)    | <b>9,475</b>                      | (49,910)    |
| Liability extinguishment                                     |           | <b>60,373</b>                       | -           | <b>60,373</b>                     | -           |
| Other Income                                                 |           | <b>8,034</b>                        | -           | <b>8,034</b>                      | -           |
| Loss before taxes from continuing operations                 |           | <b>(484,549)</b>                    | (1,314,105) | <b>(982,312)</b>                  | (3,033,146) |
| Current income tax expense                                   |           | -                                   | -           | -                                 | -           |
| Deferred income tax recovery                                 |           | -                                   | -           | -                                 | -           |
| <b>Net loss</b>                                              |           | <b>(484,549)</b>                    | (1,314,105) | <b>(982,312)</b>                  | (3,033,146) |
| <b>Other comprehensive income (loss)</b>                     |           |                                     |             |                                   |             |
| Exchange income/ (loss) on translation of foreign operations |           | <b>(8,723)</b>                      | 2,223       | <b>33,465</b>                     | (6,929)     |
| <b>Comprehensive loss</b>                                    |           | <b>(493,272)</b>                    | (1,311,882) | <b>(948,847)</b>                  | (3,040,075) |
| <b>Net income (loss) from continuing operations:</b>         |           |                                     |             |                                   |             |
| Attributed to shareholders of the Company                    |           | <b>(579,762)</b>                    | (1,072,473) | <b>(1,113,089)</b>                | (3,113,763) |
| Attributed to non-controlling interest                       |           | <b>95,213</b>                       | (241,632)   | <b>130,777</b>                    | 80,617      |
| <b>Comprehensive income (loss):</b>                          |           |                                     |             |                                   |             |
| Attributed to shareholders of the Company                    |           | <b>(588,485)</b>                    | (1,070,250) | <b>(1,079,624)</b>                | (3,120,692) |
| Attributed to non-controlling interest                       |           | <b>95,213</b>                       | (241,632)   | <b>130,777</b>                    | 80,617      |
| <b>Loss per share from continuing operations:</b>            |           |                                     |             |                                   |             |
| Basic and diluted                                            |           | <b>(0.00)</b>                       | (0.01)      | <b>(0.01)</b>                     | (0.02)      |
| <b>Loss per share from continuing operations:</b>            |           |                                     |             |                                   |             |
| Basic and diluted                                            |           | <b>213,537,110</b>                  | 136,090,598 | <b>206,537,347</b>                | 139,713,086 |

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

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars)

|                                                         | Six months ended<br>September 30, |                    |
|---------------------------------------------------------|-----------------------------------|--------------------|
|                                                         | 2025                              | 2024               |
|                                                         | \$                                | \$                 |
| <b>Operating activities:</b>                            |                                   |                    |
| Net loss for the period                                 | (982,312)                         | (3,033,146)        |
| Adjustments for:                                        |                                   |                    |
| Interest income from sublease                           | (18,661)                          | (23,434)           |
| Interest expense from lease                             | 25,630                            | 20,278             |
| Share-based compensation                                | 167,629                           | (152,732)          |
| Loss on asset disposal                                  | -                                 | 236,736            |
| Depreciation                                            | -                                 | 70,270             |
| Changes in non-cash working capital:                    |                                   |                    |
| Receivables                                             | (633,456)                         | 216,940            |
| Contract asset                                          | -                                 | 19,040             |
| Prepaid expenses and deposits                           | (73,242)                          | 103,251            |
| Accounts payable and accrued liabilities                | (434,067)                         | 512,792            |
| Deferred revenue                                        | 84,437                            | (212,916)          |
| <b>Cash used in operating activities</b>                | <b>(1,864,042)</b>                | <b>(2,242,921)</b> |
| <b>Investing activities:</b>                            |                                   |                    |
| Purchase of equipment                                   | -                                 | (49,500)           |
| Proceeds from deferred consideration                    | -                                 | 206,850            |
| Investment in Short term deposit                        | -                                 | -                  |
| Payments received from sublease                         | 108,229                           | 104,354            |
| <b>Cash provided by (used in) investing activities</b>  | <b>108,229</b>                    | <b>261,704</b>     |
| <b>Financing activities:</b>                            |                                   |                    |
| NTAR - Proceeds from Employee Pay Program               | 1,680,028                         | 1,323,792          |
| NTAR - Proceeds from exercise of warrants               | 595,000                           | -                  |
| Proceeds from securities issuances to NCI               | 8,529                             | 348,111            |
| Payments of lease liability                             | (98,376)                          | (94,860)           |
| NTAR - Net proceeds from private placements             | -                                 | 411,656            |
| <b>Cash provided by financing activities</b>            | <b>2,185,181</b>                  | <b>1,988,699</b>   |
| Effect of foreign exchange on cash and cash equivalents | 40,425                            | (8,762)            |
| Change in cash and cash equivalents                     | 429,368                           | 7,482              |
| Cash and cash equivalents, beginning of period          | 16,311                            | 103,455            |
| <b>Cash and cash equivalents, end of period</b>         | <b>486,104</b>                    | <b>102,175</b>     |
| Income taxes paid                                       | -                                 | -                  |
| Interest expense paid                                   | (25,630)                          | (38,396)           |
| Interest income received                                | 18,661                            | 20,160             |

Supplemental cash flow disclosures (Note 16)

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

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)**  
**For the six-months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except number of shares)

|                                          | Number of<br>shares<br># | Share capital<br>\$ | Reserves<br>\$    | Accumulated<br>other<br>comprehensive<br>income<br>\$ | Deficit<br>\$        | Non-<br>controlling<br>interest<br>\$ | Total<br>shareholders'<br>equity<br>(deficiency)<br>\$ |
|------------------------------------------|--------------------------|---------------------|-------------------|-------------------------------------------------------|----------------------|---------------------------------------|--------------------------------------------------------|
| Balance, March 31, 2024                  | 131,409,353              | 92,576,166          | 14,503,393        | 662,098                                               | (113,575,332)        | 2,963,703                             | (2,869,972)                                            |
| Shares for employee pay program          | 13,450,467               | 1,594,813           | 271,021           | -                                                     | -                    | -                                     | 1,323,792                                              |
| Shares issued from short form prospectus | 4,750,000                | 303,150             | 108,506           | -                                                     | -                    | -                                     | 411,656                                                |
| Stock based compensation                 | 300,000                  | 25,500              | 282,514           | -                                                     | -                    | 104,283                               | (152,731)                                              |
| Other net changes in capitalization      | -                        | -                   | 165,741           | -                                                     | -                    | 182,369                               | 348,110                                                |
| Translation of foreign operations        | -                        | -                   | -                 | 6,929                                                 | -                    | -                                     | (6,929)                                                |
| Total net loss                           | -                        | -                   | -                 | -                                                     | (3,113,763)          | 80,617                                | (3,033,146)                                            |
| <b>Balance, September 30, 2024</b>       | <b>149,909,820</b>       | <b>94,499,629</b>   | <b>14,224,105</b> | <b>655,169</b>                                        | <b>(116,689,095)</b> | <b>3,330,972</b>                      | <b>(3,979,220)</b>                                     |
| Balance, March 31, 2025                  | 191,842,589              | 96,963,333          | 20,301,785        | 565,183                                               | (124,254,816)        | 3,001,521                             | (3,422,994)                                            |
| Shares for employee pay program          | 24,269,217               | 897,477             | 885,706           | -                                                     | -                    | -                                     | 1,783,183                                              |
| Exercise of Warrant                      | 3,500,000                | 647,500             | (52,500)          | -                                                     | -                    | -                                     | 595,000                                                |
| Stock based compensation                 | -                        | -                   | 134,231           | -                                                     | -                    | 33,398                                | 167,629                                                |
| Other net changes in capitalization      | -                        | -                   | 2,605             | -                                                     | -                    | 5,924                                 | 8,529                                                  |
| Translation of foreign operations        | -                        | -                   | -                 | 33,465                                                | -                    | -                                     | 33,465                                                 |
| Total net loss                           | -                        | -                   | -                 | -                                                     | (1,113,089)          | 130,777                               | (982,312)                                              |
| <b>Balance, September 30, 2025</b>       | <b>219,611,806</b>       | <b>98,508,310</b>   | <b>21,271,827</b> | <b>598,648</b>                                        | <b>(125,367,905)</b> | <b>3,171,620</b>                      | <b>(1,817,500)</b>                                     |

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

## **1. NATURE OF OPERATIONS AND GOING CONCERN**

NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.) ("NexTech" or the "Company") is a metaverse company that provides augmented reality experience technologies, wayfinding technologies, and 3D model services. The Company was incorporated in the province of British Columbia, Canada on January 12, 2018. The Company's registered office is located at PO Box 64039 RPO Royal Bank Plaza, Toronto, Ontario, M5J 2T6. The Company's shares are traded on the Canadian Securities Exchange (the "CSE") under the trading symbol "NTAR", on the Frankfurt Stock Exchange under the trading symbol "1SS", and in the United States of America on the OTCQB under the trading symbol "NEXCF".

These unaudited condensed interim consolidated financial statements for the three and six months ended September 30, 2025 and 2024 ("financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at September 30, 2025, the Company had a working capital deficiency of \$1,960,033 (March 31, 2025 - \$3,599,148) and an accumulated deficit of \$125,367,905 (March 31, 2025 - \$124,254,816). For the three and six months ended September 30, 2025, the Company incurred a net loss of \$493,272 and \$948,847 (September 30, 2024 - \$1,311,882 and \$3,040,075) and used total cash used in operations of \$1,864,042 (September 30, 2024 - \$2,242,921). These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements were approved by the Board of Directors and authorized for issue on November 7, 2025.

These financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the years ended March 31, 2025 and December 31, 2023 (the "Annual Financial Statements").

### **b) Change in financial year end**

According to the most recent audited financial statements were prepared for the 15-months period ended March 31, 2025. This interim financial statement for the quarter ended September 30, 2025, represents the second quarter of the new financial year ending March 31, 2026. During the last reporting period, the Company changed its financial year-end from December 31 to March 31 in order to align its reporting period with that of its other group entities. This change was intended to facilitate consistency in financial reporting across the group and improve comparability of financial information. As a result of this change, Q2 of current financial statements cover a three and six month period of September 30, 2025 whereas the comparative figures covers three and six month period of September 30, 2024.

### **c) Basis of presentation**

The financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards. These financial statements have been prepared on an accrual basis, except for information presented in the condensed interim consolidated statements of cash flows.

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

## **2. BASIS OF PREPARATION (continued)**

### **d) Functional and presentation currency**

The financial statements are presented in Canadian dollars ("CAD") which is the functional currency of the Company. An entity's functional currency is the currency of the primary economic environment in which an entity operates and is listed in Note 2(d) for each of the Company's subsidiaries. References to "\$" are to Canadian dollars, references to "US\$" or "USD" are to United States dollars.

### **e) Basis of consolidation**

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

A summary of the Company's subsidiaries as at September 30, 2025 is as follows:

| <b>Name of subsidiaries</b>                              | <b>Country of incorporation</b> | <b>Percentage ownership</b> | <b>Functional currency</b> | <b>Principal activity</b> |
|----------------------------------------------------------|---------------------------------|-----------------------------|----------------------------|---------------------------|
| NexTech AR Solutions USA LLC                             | United States                   | 100%                        | USD                        | Holding company           |
| NexTech AR Solutions Inc. (formerly Jolokia Corporation) | United States                   | 100%                        | USD                        | Technology services       |
| AR Ecommerce LLC ("VCM")                                 | United States                   | 100%                        | USD                        | E-Commerce platforms      |
| Threedy.ai Inc                                           | United States                   | 100%                        | USD                        | Technology services       |
| ARway Ltd.                                               | England                         | 100%                        | USD                        | Holding company           |
| ARway Corporation ("ARway")                              | Canada                          | 40%                         | CAD                        | Technology services       |
| Toggle3D.ai Inc. ("Toggle")                              | Canada                          | 31%                         | CAD                        | Technology services       |
| Toggle 3D AR Solution India Private Limited              | India                           | 100%                        | CAD                        | India operations          |

The Company obtained control over ARway and Toggle through its majority presentation on the board of directors in addition to its percentage of common share ownership.

## **3. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

## **4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities. The Company's interim results are not necessarily indicative of its results for a full year. The critical judgements and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in the notes to the Annual Financial Statements.

## **5. CASH**

As at September 30, 2025, the company has cash amounting to \$486,104 (March 31, 2025 - \$16,311).

### **Cash held in relation to employee pay program**

As at September 30, 2025, in connection with the employee pay program, the Company had cash held in a trust account of \$103,403 (March 31, 2025 - \$251). The cash does not earn interest and is used to pay salaries and wages.

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

## 6. RECEIVABLES

A summary of the Company's receivables is as follows:

|                             | September 30,<br>2025 | March 31,<br>2025 |
|-----------------------------|-----------------------|-------------------|
|                             | \$                    | \$                |
| GST receivables             | 19,338                | 27,930            |
| Trade receivables           | 796,585               | 154,537           |
| <b>Balance, end of year</b> | <b>815,923</b>        | <b>182,467</b>    |

## 7. EQUIPMENT

A summary of the Company's equipment is as follows:

|                                                | Computer<br>equipment | Office furniture<br>and equipment | Total     |
|------------------------------------------------|-----------------------|-----------------------------------|-----------|
|                                                | \$                    | \$                                | \$        |
| <b>Cost</b>                                    |                       |                                   |           |
| Balance, December 31, 2023                     | 510,157               | 83,939                            | 594,096   |
| Additions                                      | 74,870                | 2,600                             | 77,470    |
| Disposal                                       | (101,024)             | (2,600)                           | (103,624) |
| Write-off                                      | (503,546)             | (86,459)                          | (590,005) |
| Currency translation effects                   | 19,543                | 2,520                             | 22,063    |
| Balance, March 31, 2025 and September 30, 2025 | -                     | -                                 | -         |
| <b>Accumulated depreciation</b>                |                       |                                   |           |
| Balance, December 31, 2023                     | 219,841               | 48,622                            | 268,463   |
| Depreciation                                   | 86,532                | 3,735                             | 90,267    |
| Disposal                                       | (25,145)              | (567)                             | (25,712)  |
| Write-off                                      | (292,442)             | (53,853)                          | (346,295) |
| Currency translation effects                   | 11,214                | 2,063                             | 13,277    |
| Balance, March 31, 2025 and September 30, 2025 | -                     | -                                 | -         |
| <b>Carrying value</b>                          |                       |                                   |           |
| Balance, March 31, 2025                        | -                     | -                                 | -         |
| <b>Balance, September 30, 2025</b>             | <b>-</b>              | <b>-</b>                          | <b>-</b>  |

## 8. LEASES

The Company entered lease agreements for an office space and a warehouse space. The present value of future lease payments was measured using an incremental borrowing rate of 6% per annum.

In March 2023, the Company entered into a sublease agreement to re-lease the warehouse which is leased by the Company to a third party. The sublease commenced on April 1, 2023 and expires on June 20, 2028. The Company classified this sublease as a finance lease, leading to the derecognition of the right-of-use asset with a carrying value of \$778,350. Accordingly, the Company recognized a net investment in the sublease of \$898,976, calculated as the present value of future lease payments at a 6% discount rate, corresponding to the Company's incremental borrowing rate applied to the head lease. The Company reported a gain of \$120,626 in profit or loss upon recognizing the sublease.

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

**8. LEASES (continued)**

A summary of the Company's lease liability is as follows:

|                                    | \$             |
|------------------------------------|----------------|
| Balance, December 31, 2023         | 613,346        |
| Interest expense                   | 53,045         |
| Lease payments                     | (224,521)      |
| Currency translation effects       | 47,235         |
| Balance, March 31, 2025            | 489,105        |
| Interest expense                   | 25,630         |
| Lease payments                     | (98,376)       |
| Currency translation effects       | (16,114)       |
| <b>Balance, September 30, 2025</b> | <b>400,245</b> |
| Current portion                    | 143,468        |
| Non-current portion                | 256,777        |

A summary of the Company's future lease payments is as follows:

|                                    | \$             |
|------------------------------------|----------------|
| 2025                               | 202,190        |
| 2026                               | 209,003        |
| 2027                               | 160,257        |
| Total undiscounted lease liability | <b>572,170</b> |
| Effects of discounting             | (171,925)      |
| <b>Balance, September 30, 2025</b> | <b>400,245</b> |

Interest expense from leases for the three and six months ended September 30, 2025 was \$13,249 and \$25,630 (September 30, 2024 - \$10,404 and \$20,278 respectively).

A summary of the Company's net investment in sublease is as follows:

|                                       | \$             |
|---------------------------------------|----------------|
| Balance, December 31, 2023            | 842,916        |
| Interest income                       | 58,019         |
| Payments received                     | (262,552)      |
| Currency translation effects          | 65,896         |
| <b>Balance, March 31, 2025</b>        | <b>704,279</b> |
| Interest income                       | 18,661         |
| Payments received                     | (108,229)      |
| Effects of movement in exchange rates | (23,071)       |
| <b>Balance, September 30, 2025</b>    | <b>591,640</b> |
| Current portion                       | 192,330        |
| Non-current portion                   | 399,310        |

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## 8. LEASES (continued)

A summary of the Company's future minimum sublease receipts is as follows:

|                                      | \$             |
|--------------------------------------|----------------|
| 2026                                 | 221,617        |
| 2027                                 | 228,265        |
| 2028                                 | 175,466        |
| Total undiscounted lease receivables | <b>625,348</b> |
| Effects of discounting               | (33,708)       |
| <b>Balance, September 30, 2025</b>   | <b>591,640</b> |

Interest income from the sublease for the three and six months ended September 30, 2025 was \$8,968 and \$18,661 (September 30, 2024 - \$11,196 and \$23,434) and was recorded within revenue in profit or loss.

## 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

|                     | September 30,<br>2025 | March 31,<br>2025 |
|---------------------|-----------------------|-------------------|
|                     | \$                    | \$                |
| Accounts payables   | <b>2,681,313</b>      | 2,965,822         |
| Accrued liabilities | <b>325,435</b>        | 474,993           |
|                     | <b>3,006,748</b>      | 3,440,815         |

## 10. FACTORING LIABILITY

In March 2023, the Company entered into a trade receivable factoring agreement ("Factoring Agreement") with a third-party factoring company. The Factoring Agreement allows the Company to receive in advance \$2,429,789 (US\$1,805,766), which is repaid with the sale of future trade receivables from a regular customer of the Company.

The trade receivables from the customer are transferred to the third-party factoring company upon invoicing to the customer of the performance obligations rendered for a determined period.

## 11. SHARE CAPITAL

### a) Authorized

The Company is authorized to issue unlimited number of common shares with no par value.

### b) Share capital

During the six months ended September 30, 2025, the Company had the following share transactions:

- From April 1, 2025 to September 30, 2025, the Company issued 27,769,217 and 3,500,000 common shares upon the exercise of warrants related to the employee pay program and private placement with share prices between \$0.03 and \$0.17, for cash proceeds of \$1,252,955.

During the 15 month period ended March 31, 2025, the Company had the following share transactions:

- From January 1, 2024 to March 31, 2025, the Company issued 38,048,038 common shares upon the exercise of warrants related to the employee pay program, with share prices between \$0.04 and \$0.18, for cash proceeds of \$2,939,149.
- On March 12, 2024, the Company issued 200,000 common shares to two officers as compensation for their employment services, resulting in the recognition of \$41,000 as share-based compensation.

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- On September 10, 2024, the Company issued 300,000 common shares to two officers as compensation for their employment services, resulting in the recognition of \$25,500 as share-based compensation.
- On September 25, 2024, the Company closed a private placement in which the Company issued 4,750,000 units for gross proceeds of \$ 190,000. \$285,000 was expensed as Shares issuance cost against agreements with brokers to finalize the deal . Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of \$0.15 until September 25, 2026. Applying the residual method, fair value of \$ 308,750 was allocated to share capital and \$166,250 was allocated to reserves.
- On February 7, 2025, the Company issued 21,046,338 common shares to CEO as compensation for their employment services.

**c) Employee pay program**

On May 30, 2025, the Company granted 15,500,351 warrants to its employees. Each warrant has exercise price of \$0.05 and matures on May 30, 2026. As at September 30, 2025, a total of 15,382,751 warrants have been converted into common shares, all of which occurred during the six months ended September 30, 2025.

**d) Warrants**

A summary of the Company's warrants is as follows:

|                                    | <b>Number of<br/>warrants</b> | <b>Weighted<br/>average<br/>exercise price</b> |
|------------------------------------|-------------------------------|------------------------------------------------|
|                                    | <b>#</b>                      | <b>\$</b>                                      |
| Balance, December 31, 2023         | 36,884,091                    | 0.80                                           |
| Granted                            | 46,848,468                    | 0.15                                           |
| Exercised                          | (38,048,038)                  | 0.20                                           |
| Expired <sup>1</sup>               | (10,538,065)                  | 1.45                                           |
| Balance, March 31, 2025            | <b>35,146,456</b>             | <b>0.21</b>                                    |
| Granted                            | <b>15,500,351</b>             | <b>0.05</b>                                    |
| Exercised                          | <b>(27,769,216)</b>           | <b>0.07</b>                                    |
| Expired                            | <b>(1,383,027)</b>            | <b>0.13</b>                                    |
| <b>Balance, September 30, 2025</b> | <b>21,494,564</b>             | <b>0.43</b>                                    |

<sup>1</sup>Restated.

The weighted average share price on the date of exercise for warrants exercised during the six months ended September 30, 2025 was \$0.07 (March, 31 2025 - \$0.20).

A summary of the Company's outstanding warrants is as follows:

| <b>Expiry date</b> | <b>Number</b>     | <b>Weighted<br/>average<br/>exercise price</b> | <b>Weighted<br/>average<br/>remaining life</b> |
|--------------------|-------------------|------------------------------------------------|------------------------------------------------|
|                    | <b>#</b>          | <b>\$</b>                                      | <b>Years</b>                                   |
| July 25, 2026      | 6,708,094         | 0.52                                           | 0.82                                           |
| November 10, 2026  | 5,300,360         | 0.17                                           | 1.11                                           |
| November 24, 2026  | 3,815,722         | 0.17                                           | 1.15                                           |
| November 29, 2026  | 379,320           | 0.17                                           | 1.16                                           |
| September 25, 2026 | 4,806,000         | 0.15                                           | 0.99                                           |
| May 30, 2026       | 117,600           | 0.05                                           | 0.66                                           |
| January 31, 2027   | 3,867,468         | 1.02                                           | 1.34                                           |
|                    | <b>21,494,564</b> | <b>0.43</b>                                    | <b>1.04</b>                                    |

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**11. SHARE CAPITAL (continued)**

**e) Stock options**

A summary of the Company's outstanding and exercisable options is as follows:

|                                                | <b>Number of<br/>stock options</b> | <b>Weighted<br/>average<br/>exercise price</b> |
|------------------------------------------------|------------------------------------|------------------------------------------------|
|                                                | <b>#</b>                           | <b>\$</b>                                      |
| Balance, December 31, 2023                     | 15,575,952                         | 0.56                                           |
| Granted                                        | 5,465,000                          | 0.08                                           |
| Forfeited                                      | (14,581,152)                       | 0.50                                           |
| Cancelled                                      | (2,411,800)                        | 0.53                                           |
| Expired                                        | (25,000)                           | 1.92                                           |
| Balance, March 31, 2025                        | 4,023,000                          | 0.13                                           |
| Granted                                        | 8,150,000                          | 0.05                                           |
| Forfeited                                      | (332,000)                          | 0.09                                           |
| Cancelled                                      | (274,000)                          | 0.44                                           |
| Expired                                        | (1,052,000)                        | 0.14                                           |
| <b>Balance outstanding, September 30, 2025</b> | <b>10,515,000</b>                  | <b>0.06</b>                                    |
| <b>Balance exercisable, September 30, 2025</b> | <b>1,209,000</b>                   | <b>0.50</b>                                    |

On June 23, 2025, the Company granted 7,150,000 stock options to various employees. These stock options vest in four equal tranches every six months from the grant date. Each stock option has an exercise price of \$0.04 and matures on June 23, 2027. The fair value of these stock options was \$224,465.

On September 17, 2025, the Company granted 1,000,000 stock options to various employees. These stock options vest in five equal tranches every six months from the grant date. Each stock option has an exercise price of \$0.15 and matures on September 17, 2028. The fair value of these stock options was \$163,977.

A summary of the Company's outstanding options is as follows:

| <b>Expiry date</b> | <b>Number of<br/>options<br/>outstanding</b> | <b>Number of<br/>options<br/>exercisable</b> | <b>Weighted<br/>average<br/>exercise price</b> | <b>Weighted<br/>average<br/>remaining life</b> |
|--------------------|----------------------------------------------|----------------------------------------------|------------------------------------------------|------------------------------------------------|
|                    | <b>#</b>                                     | <b>#</b>                                     | <b>\$</b>                                      | <b>Years</b>                                   |
| July 15, 2026      | 1,700,000                                    | 1,020,000                                    | 0.07                                           | 0.79                                           |
| January 30, 2027   | 40,000                                       | 24,000                                       | 0.23                                           | 1.33                                           |
| January 10, 2028   | 825,000                                      | 165,000                                      | 0.07                                           | 2.28                                           |
| June 23, 2027      | 6,950,000                                    | -                                            | 0.04                                           | 1.73                                           |
| September 17, 2028 | 1,000,000                                    | -                                            | 0.15                                           | 2.97                                           |
|                    | <b>10,515,000</b>                            | <b>1,209,000</b>                             | <b>0.06</b>                                    | <b>1.74</b>                                    |

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for stock options granted during the six months ended September 30, 2025 and March 31, 2025 is as follows:

|                                | <b>September 30,<br/>2025</b> | <b>March 31,<br/>2025</b> |
|--------------------------------|-------------------------------|---------------------------|
| Share price                    | <b>0.10</b>                   | 0.08                      |
| Exercise price                 | <b>0.09</b>                   | 0.08                      |
| Risk-free interest rate        | <b>3.21%</b>                  | 3.63%                     |
| Expected life                  | <b>2</b>                      | 1.82                      |
| Expected volatility            | <b>165%</b>                   | 124%                      |
| Expected annual dividend yield | <b>0%</b>                     | 0%                        |

During the three and six months ended September 30, 2025, \$107,722 and \$167,629 (September 30, 2024 – (\$298,760) and (152,730)) was recognized as share-based compensation from vested options. Included in the share-based compensation

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expense is the amount from stock options granted to the non-controlling interest of ARway and Toggle as part of their option plans.

A summary of the Company's share-based compensation expense by function is as follows:

|                            | Three months ended    |                       | Six months ended      |                       |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                            | September 30,<br>2025 | September 30,<br>2024 | September 30,<br>2025 | September 30,<br>2024 |
|                            | \$                    | \$                    | \$                    | \$                    |
| Cost of sales              | 14,806                | 33,931                | 30,149                | 98,929                |
| General and administrative | 85,964                | (114,335)             | 123,642               | (108,137)             |
| Sales and marketing        | -                     | (184,147)             | -                     | (58,967)              |
| Research and development   | 6,952                 | (34,209)              | 13,838                | (84,555)              |
|                            | 107,722               | (298,760)             | 167,629               | (152,730)             |

## 12. NON-CONTROLLING INTEREST

A summary of the Company's non-controlling interest is as follows:

|                                             | ARway          | Toggle           | Total            |
|---------------------------------------------|----------------|------------------|------------------|
|                                             | \$             | \$               | \$               |
| Balance, December 31, 2023                  | 1,289,452      | 2,666,598        | 3,956,050        |
| SBC attributed to NCI                       | 119,386        | 156,584          | 275,970          |
| Other change in capitalization to NCI       | 457,314        | 342,412          | 799,726          |
| Decrease in parents ownership - sale to NCI | 100,000        | 50,000           | 150,000          |
| Loss attributable to NCI                    | (1,593,033)    | (587,193)        | (2,180,225)      |
| Balance, March 31, 2025                     | 373,119        | 2,628,401        | 3,001,521        |
| SBC attributed to NCI                       | 12,736         | 20,662           | 33,398           |
| Other change in capitalization to NCI       | (522)          | 6,446            | 5,924            |
| Profit attributable to NCI                  | 49,542         | 81,235           | 130,777          |
| <b>Balance, September 30, 2025</b>          | <b>434,875</b> | <b>2,736,745</b> | <b>3,171,620</b> |

## 13. RELATED PARTY TRANSACTIONS AND BALANCES

The Company entered into a number of transactions with key management personnel that have the authority and responsibility for the planning, directing and controlling of the activities of the Company. The Company considers the executive officers and directors as the key management of the Company.

A summary of the transactions with key management personnel is as follows:

|                                                                                | Three months ended    |                       | Six months ended         |                       |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
|                                                                                | September 30,<br>2025 | September 30,<br>2024 | September<br>30,<br>2025 | September<br>30, 2024 |
|                                                                                | \$                    | \$                    | \$                       | \$                    |
| Compliance fees included in general and administrative                         | 2,250                 | 600                   | 6,000                    | 3,792                 |
| Management fees included in general and administrative                         | 138,459               | 492,315               | 282,331                  | 697,120               |
| Salaries of the Chief Financial Officer included in general and administrative | 37,500                | 39,167                | 75,000                   | 76,667                |
| Share-based compensation                                                       | 18,968                | 423,189               | 49,952                   | 807,212               |
|                                                                                | 197,177               | 955,270               | 413,283                  | 1,584,790             |

The Company has an agreement with the Chief Executive Officer ("CEO") in which the Company compensates the CEO for management services on monthly basis, combining cash and share issuance over a five-year term until April 1, 2027. As at September 30, 2025, accounts payable and accrued liabilities included \$83,712 owed to the CEO (March 31, 2025 - \$163,829). The amounts are non-secured, non-interest bearing, payable on demand and represent the value of shares to be issued to the CEO.

#### 14. REVENUE FROM CONTRACTS WITH CUSTOMERS

##### a) Revenue disaggregation

A summary of the Company's revenue disaggregation by service for the three and six months period ended September 30, 2025, and September 30, 2024 is as follows:

|          | Three months ended<br>September 30,<br>2025 | September 30,<br>2024 | Six months ended<br>September 30,<br>2025 | September 30,<br>2024 |
|----------|---------------------------------------------|-----------------------|-------------------------------------------|-----------------------|
|          | \$                                          | \$                    | \$                                        | \$                    |
| MapD     | 282,056                                     | 252,898               | 553,592                                   | 757,051               |
| Threedly | 88,202                                      | 476,218               | 142,296                                   | 1,061,761             |
| Arway    | 1,033                                       | 17,528                | 3,565                                     | 24,051                |
| Toggle   | -                                           | 145                   | -                                         | 335                   |
| Others   | 9,464                                       | 9,687                 | 19,394                                    | 22,219                |
|          | <b>390,755</b>                              | <b>756,476</b>        | <b>718,847</b>                            | <b>1,865,417</b>      |

##### b) Deferred revenue

A summary of the Company's deferred revenue is as follows:

|                                    | \$               |
|------------------------------------|------------------|
| Balance, December 31, 2023         | 342,192          |
| Revenue recognized                 | (3,415,701)      |
| Revenue deferred                   | 3,557,468        |
| Currency translation effects       | 14,212           |
| Balance, March 31, 2025            | <b>498,171</b>   |
| Revenue recognized                 | <b>(872,484)</b> |
| Revenue deferred                   | <b>957,763</b>   |
| Currency translation effects       | <b>(842)</b>     |
| <b>Balance, September 30, 2025</b> | <b>582,608</b>   |

##### c) Contract asset

A summary of the Company's contract asset is as follows:

|                                          | \$       |
|------------------------------------------|----------|
| Balance, December 31, 2023               | 51,320   |
| Contract asset billed                    | (51,521) |
| Currency translation effects             | 201      |
| Balance, March 31 and September 30, 2025 | -        |

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## 15. EXPENSES BY NATURE

The Company presents operating expenses by function with the exception of amortization, depreciation, and share-based compensation. A summary of the Company's operating expenses by nature is as follows:

### a) Cost of sales

A summary of the Company's cost of sales is as follows:

|                                  | Three months ended<br>September 30,<br>2025 | September 30,<br>2024 | Six months ended<br>September 30,<br>2025 | September 30,<br>2024 |
|----------------------------------|---------------------------------------------|-----------------------|-------------------------------------------|-----------------------|
|                                  | \$                                          | \$                    | \$                                        | \$                    |
| Cost of products/services        | 13,393                                      | 4,329                 | 26,686                                    | 4,329                 |
| Consultant fees                  | -                                           | 210,698               | -                                         | 460,950               |
| Employee benefits                | -                                           | -                     | -                                         | -                     |
| Salaries, wages, and commissions | 35,116                                      | 3,946                 | 54,291                                    | 42,162                |
|                                  | 48,510                                      | 218,973               | 80,978                                    | 507,441               |

### b) Sales and marketing

A summary of the Company's sales and marketing expense is as follows:

|                                  | Three months ended<br>September 30,<br>2025 | September 30,<br>2024 | Six months ended<br>September 30,<br>2025 | September 30,<br>2024 |
|----------------------------------|---------------------------------------------|-----------------------|-------------------------------------------|-----------------------|
|                                  | \$                                          | \$                    | \$                                        | \$                    |
| Advertising                      | -                                           | 16,168                | 1,112                                     | 53,443                |
| Consultant fees                  | 46,211                                      | 108,501               | 67,735                                    | 172,641               |
| Employee benefits                | -                                           | 2,715                 | 1,113                                     | 17,287                |
| Investor Relations               | 34,681                                      | 280,905               | 74,900                                    | 376,339               |
| Salaries, wages, and commissions | 79,432                                      | 114,833               | 132,581                                   | 238,754               |
| Software and other expense       | 31,410                                      | 33,777                | 60,760                                    | 90,457                |
|                                  | 191,734                                     | 556,899               | 338,201                                   | 948,921               |

### c) General and administrative

A summary of the Company's general and administrative expense is as follows:

|                                 | Three months ended<br>September 30,<br>2025 | September 30,<br>2024 | Six months ended<br>September 30,<br>2025 | September 30,<br>2024 |
|---------------------------------|---------------------------------------------|-----------------------|-------------------------------------------|-----------------------|
|                                 | \$                                          | \$                    | \$                                        | \$                    |
| Compliance fees                 | 49,124                                      | 29,045                | 79,030                                    | 75,514                |
| Computer software & maintenance | 26,018                                      | 120,142               | 75,112                                    | 335,263               |
| Consulting fees                 | 33,027                                      | 34,169                | 52,940                                    | 112,983               |
| Employee benefits               | 30,030                                      | (2,518)               | 59,045                                    | 78,483                |
| Interest expense                | 22,461                                      | 29,225                | 45,491                                    | 50,560                |
| Management fees                 | 88,437                                      | 34,665                | 196,076                                   | 239,471               |
| Professional fees               | 66,610                                      | 158,548               | 110,080                                   | 462,207               |
| Salaries and wages              | 79,805                                      | 380,778               | 152,098                                   | 905,502               |
| Shipping and warehouse costs    | -                                           | 135                   | -                                         | 453                   |
| Compliance fees                 | 51,896                                      | 175,323               | 105,428                                   | 288,162               |
|                                 | 447,408                                     | 959,512               | 875,300                                   | 2,548,598             |

## 15. EXPENSES BY NATURE (continued)

### d) Research and development

A summary of the Company's research and development expense is as follows:

|                                  | Three months ended<br>September 30,<br>2025 | September 30,<br>2024 | Six months ended<br>September 30,<br>2025 | September 30,<br>2024 |
|----------------------------------|---------------------------------------------|-----------------------|-------------------------------------------|-----------------------|
|                                  | \$                                          | \$                    | \$                                        | \$                    |
| Consultant fees                  | 108,737                                     | 98,194                | 220,510                                   | 113,123               |
| Employee benefits                | -                                           | 1,952                 | 269                                       | 9,009                 |
| Salaries and wages               | -                                           | 91,972                | 19,815                                    | 268,162               |
| Platform, maintenance and others | 35,797                                      | 74,898                | 76,339                                    | 221,873               |
|                                  | <b>144,534</b>                              | <b>267,016</b>        | <b>316,933</b>                            | <b>612,167</b>        |

## 15. SEGMENT INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company has been identified as the Chief Financial Officer, who makes strategic decisions and allocates resources based on the information available by operating segment. The CODM determines the reportable segments of the Company based on the availability of discrete financial results and the nature of operations relating to each operating segment. The CODM identified three reportable segments being 1) the eCommerce platforms, 2) the technology services provided for eCommerce, virtual events, higher education and advertising, and 3) general corporate activities.

As at September 30, 2025, the Company's sole continuing operation that generates revenue is technology services.

## 16. SUPPLEMENTAL CASH FLOW DISCLOSURES

A summary of the Company's supplemental cash flow disclosures is as follows:

|                                                              | Six months ended<br>September 30,<br>2025 | 2024           |
|--------------------------------------------------------------|-------------------------------------------|----------------|
|                                                              | \$                                        | \$             |
| Proceeds from securities issued to non-controlling interest: |                                           |                |
| Proceeds from employee pay program in Arway                  | -                                         | 92,257         |
| Proceeds from warrants exercised                             | -                                         | -              |
| Proceeds from employee pay program in Toggle                 | 8,529                                     | 255,854        |
|                                                              | <b>8,529</b>                              | <b>348,111</b> |

## 17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2025, the Company's financial assets and liabilities include cash and cash equivalents, trade receivables, deferred consideration, and accounts payable and accrued liabilities. These instruments were classified as amortized cost.

The carrying values of cash and cash equivalents, receivables and accounts payable and accrued liabilities approximate their fair values because of their short-term nature.

The Company is exposed to certain financial risks through its financial instruments. The risk exposures and the impact on the Company's financial instruments are summarized below.

## **17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

### **a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company is exposed to credit risk through its cash, Short term investment, trade receivables, and contract asset. The Company mitigates credit risk related to cash by placing cash with sound financial institutions. For sales contracts and trade receivables, the Company trades with recognized creditworthy third parties and regularly reviews the collectability of its accounts receivable.

### **b) Liquidity risk**

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's main source of cash resources is through equity financing. The Company's financial obligations are limited to its current liabilities which have contractual maturities of less than one year and lease liabilities that have a fixed schedule of payment.

As at September 30, 2025, the Company had cash and cash equivalents of \$486,104 (March 31, 2025 - \$16,311) and working capital deficit of \$1,960,033 (March 31, 2025 - \$3,599,148).

### **c) Currency risk**

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and a portion of the Company's expenses are incurred in USD. A significant change in the currency exchange rates between the Canadian dollar relative to the USD could affect the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. As at September 30, 2025, the Company is exposed to currency risk through cash and cash equivalents, receivables, deferred consideration and accounts payable denominated in USD. A 10% change in exchange rate could increase or decrease the Company's net loss by \$63,504.

### **d) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk as there is no financial asset or liability that has a variable interest rate.

## **18. CAPITAL MANAGEMENT**

The Company's definition of capital includes equity, comprising share capital, reserves, accumulated other comprehensive income, deficit and non-controlling interest. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. As at September 30, 2025, the Company had shareholders' deficiency of \$1,817,500 (March 31, 2025 - shareholders' deficiency of \$3,422,994).

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business. The Company obtains funding primarily through equity issuance. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes to the Company's approach to capital management during the six month period ended September 30, 2025.

As at September 30, 2025, the Company was not subject to any externally imposed capital requirements.

## **19. SUBSEQUENT EVENTS**

On October 14, 2025, Nextech3D.ai Closes Acquisition of Eventdex, Expanding Its One-Stop AI Event Technology Suite and Advancing Blockchain Ticketing Roadmap.

On October 24, 2025, the Company has issued 1,991,916 common shares upon the exercise of warrants related to the employee pay program.

**NexTech3D.AI Corporation (formerly NexTech AR Solutions Corp.)**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the three and six months ended September 30, 2025 and 2024**  
(Unaudited - Expressed in Canadian dollars, except where noted)

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On October 29, 2025, the Company has issued 7,040 common shares upon the exercise of broker warrants issued through Private Placement having an exercise price of \$0.12 on November 14, 2023.

NexTech and Arway are in the process of negotiating a definitive agreement governing the terms and conditions of the Transaction. The Transaction is expected to proceed by way of a three-cornered amalgamation, whereby Arway will amalgamate with a wholly-owned subsidiary of NexTech and shareholders of Arway will receive common shares of NexTech in exchange for each Arway share held. Final terms, including the exchange ratio and deemed price, are currently under review and will be disclosed in due course.