NEXTECH3D.AI CORPORATION
(formerly Nextech AR Solutions Corp.)

Condensed Interim Consolidated Financial Statements

For the three months ended June 30, 2026 and 2025

(Unaudited - Expressed in Canadian dollars)

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

	Note	**June 30, 2026**	March 31, 2026
		$	$
ASSETS			
Current			
Cash and cash equivalents	5	**149,638**	254,149
Receivables	6	**431,828**	336,408
Inventory		**35,293**	44,629
Net investment in sublease	8	**210,503**	201,750
Prepaid expenses and deposits		**35,787**	25,014
		863,049	861,950
Equipment	7	**24,912**	-
Net investment in sublease	8	**230,617**	280,269
Total assets		**1,118,578**	1,142,219
LIABILITIES			
Current			
Accounts payable and accrued liabilities	10	**1,462,409**	1,692,003
Deferred revenue	15(b)	**437,087**	199,154
Payable to related parties	14	**582,705**	520,568
Promissory note payables	11(a)	**83,494**	67,654
Current portion of lease liability	8	**143,171**	184,776
		2,708,866	2,664,155
Promissory note payables – non current	11(a)	**139,079**	157,257
Related Party loan payables	11(b)	**311,363**	296,263
Lease liability - non current		**260,775**	255,496
Other Liabilities		**19,703**	19,327
Total liabilities		**3,439,786**	3,392,498
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	12	**101,046,558**	100,461,315
Reserves		**21,495,236**	21,297,860
Accumulated other comprehensive income		**575,183**	587,973
Deficit		**(128,724,134)**	(127,898,294)
Equity attributable to shareholders of the Company		**(5,607,157)**	(5,551,146)
Non-controlling interest	13	**3,285,949**	3,300,867
Total shareholders' equity (deficiency)		**(2,321,208)**	(2,250,279)
Total liabilities and shareholders' equity (deficiency)		**1,118,578**	1,142,219

Nature of operations and going concern (Note 1)
Subsequent events (Note 19)

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

"/s/"Evan Gappelberg "	*/s/"Belinda Tyldesley"*
Director	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
(Unaudited - Expressed in Canadian dollars, except per share amounts and number of shares)

	Note	Three months ended June 30 2026	2025
		$	$
Revenue	14(a)	**660,159**	328,092
Cost of sales	15(a)	**(129,865)**	(32,468)
Gross profit		**530,294**	295,624
Operating expenses			
Sales and marketing	15(b)	**288,538**	146,467
General and administrative	15(c)	**748,142**	427,892
Research and development	15(d)	**236,950**	172,399
Share-based compensation	12(e)	**57,583**	59,907
Depreciation	7	**467**	-
Operating loss		**(801,386)**	(511,041)
Other income (expenses)			
Interest expense		**(40,397)**	-
Foreign exchange gain (loss)		**(5,910)**	13,278
Liability Extinguishment		**-**	-
Other income		**6,934**	-
Net loss		**(840,759)**	(497,763)
Other comprehensive loss			
Exchange loss on translation of foreign operations		**(12,790)**	42,187
Comprehensive loss		**(853,549)**	(455,576)
Net loss:			
Attributed to shareholders of the Company		**(825,840)**	(533,327)
Attributed to non-controlling interest		**(14,918)**	35,564
Comprehensive loss:			
Attributed to shareholders of the Company		**(838,631)**	(491,140)
Attributed to non-controlling interest		**(14,918)**	35,564
Loss per share			
Basic and diluted		**(0.00)**	(0.00)
Weighted average number of common shares			
Basic and diluted		**231,638,314**	199,533,059

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
(Unaudited - Expressed in Canadian dollars)

	Three months ended June 30, 2026	2025
	$	$
Operating activities:		
Net loss for the period	**(840,759)**	(497,763)
Adjustments for:		
Interest income from sublease	**(6,936)**	(9,693)
Interest expense from lease	**6,341**	12,389
Share-based compensation	**57,583**	59,907
Depreciation	**467**	-
Changes in non-cash working capital:		
Receivables	**(95,420)**	(6,552)
Prepaid expenses and deposits	**(10,771)**	(4,166)
Other Liabilities	**376**	-
Inventory	**9,336**	-
Accounts payable and accrued liabilities	**(229,594)**	(70,554)
Payable to related parties	**62,137**	-
Deferred revenue	**237,933**	23,568
Cash used in operating activities	**(809,307)**	(492,864)
Investing activities:		
Purchase of equipment	**(24,891)**	-
Investment in Short term deposit	**55,907**	251
Payments received from sublease	**-**	54,270
Cash provided by (used in) investing activities	**31,016**	54,521
Financing activities:		
NTAR - Proceeds from Employee Pay Program	**218,765**	447,475
Proceeds from warrants and option exercise	**506,272**	-
Proceeds from securities issuances to NCI	**-**	8,531
Payments of promissory note	**(2,338)**	-
Related party loan payable	**15,100**	-
Payments of lease liability	**(50,067)**	(48,602)
Cash provided by financing activities	**687,732**	407,404
Effect of foreign exchange on cash and cash equivalents	**(13,952)**	53,040
Change in cash and cash equivalents	**(90,559)**	(30,939)
Cash and cash equivalents, beginning of period	**254,149**	16,311
Cash and cash equivalents, end of period	**149,638**	38,412
Income taxes paid		-
Interest expense paid	**(4,580)**	(12,389)
Interest income received	**6,936**	9,693

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)
(Unaudited - Expressed in Canadian dollars, except number of shares)

	Number of shares	Share capital	Reserves	Accumulated other comprehensive income	Deficit	Non-controlling interest	Total shareholders' equity (deficiency)
	#	$	$	$	$	$	$
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	13,886,466	273,894	173,581	-	-	-	447,475
Stock based compensation	-	-	40,801	-	-	19,106	59,907
Other net changes in capitalization	-	-	2,607	-	-	5,924	8,531
Translation of foreign operations	-	-	-	42,187	-	-	42,187
Total net loss	-	-	-	-	(533,327)	35,564	(497,763)
Balance, June 30, 2025	**205,729,055**	**97,237,227**	**20,518,774**	**607,370**	**(124,788,143)**	**3,062,115**	**(3,362,657)**
Balance, March 31, 2026	**229,320,967**	**100,461,315**	**21,297,860**	**587,973**	**(127,898,294)**	**3,300,867**	**(2,250,279)**
Shares for employee pay program	**-**	**-**	**218,765**	**-**	**-**	**-**	**218,765**
Shares warrant exercised	**2,417,118**	**386,739**	**(78,971)**	**-**	**-**	**-**	**307,768**
Shares option exercised	**1,696,054**	**198,504**	**-**	**-**	**-**	**-**	**198,504**
Stock based compensation	**-**	**-**	**56,062**	**-**	**-**	**1,521**	**57,583**
Other net changes in capitalization	**-**	**-**	**1,521**	**-**	**-**	**(1,521)**	**-**
Translation of foreign operations	**-**	**-**	**-**	**(12,790)**	**-**	**-**	**(12,790)**
Total net loss	**-**	**-**	**-**	**-**	**(825,840)**	**(14,918)**	**(840,758)**
Balance, June 30, 2026	**233,434,139**	**101,046,558**	**21,495,236**	**575,183**	**(128,724,134)**	**3,285,949**	**(2,321,208)**

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 OTCQX under the trading symbol "NEXCF".

These unaudited condensed interim consolidated financial statements for the three months ended June 30, 2026 and 2025 ("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 June 30, 2026, the Company had a working capital deficiency of $1,845,817 (March 31, 2026 - $1,802,205) and an accumulated deficit of $128,724,134 (March 31, 2026 - $127,898,294). For the three months ended June 30, 2026, the Company incurred a net loss of $840,759 (2025 - $497,763) and used total cash in operations of $809,307 (2025 - $492,864). These factors indicate the existence of 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 August 28, 2026.

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, 2026 and March 31, 2025 (the "Annual Financial Statements").

b) 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.

2. BASIS OF PREPARATION (continued)

c) 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.

d) 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 June 30, 2026 is as follows:

Name of subsidiaries	Country of incorporation	Percentage ownership	Functional currency	Principal activity
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") (1)	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	39%	CAD	Technology services
Toggle3D.ai Inc. ("Toggle")	Canada	31%	CAD	Technology services

(1) The Company has discontinued the operations of its eCommerce platforms. Note 7.

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 UNCERTAINITY

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 June 30, 2026, the company has cash amounting to $149,638 (March 31, 2026 - $254,149).

6. RECEIVABLES

(Unaudited - Expressed in Canadian dollars, except where noted)

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

	June 30, 2026	March 31, 2026
	$	$
GST receivables	**23,920**	19,704
Trade receivables	**407,908**	316,704
Balance, end of year	**431,828**	336,408

7. EQUIPMENT

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

	Total
	$
Cost	
Balance, March 31, 2026	-
Additions	24,891
Disposal	-
Write-off	-
Currency translation effects	501
Balance, June 30, 2026	**25,391**
Accumulated depreciation	
Balance, December 31, 2023	-
Depreciation	467
Disposal	-
Write-off	-
Currency translation effects	12
Balance, June 30, 2026	**479**
Carrying value	
Balance, March 31, 2026	-
Balance, June 30, 2026	**24,912**

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. During the three months ended June 30, 2026, the office lease expired and was not renewed. As at June 30, 2026 and June 30, 2025, the lease liability solely pertains to the warehouse lease.

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.

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

	$
Balance, March 31, 2025	489,105
Interest expense	164,148
Lease payments	(198,406)
Currency translation effects	(14,576)
8. LEASES (continued)	

(Unaudited - Expressed in Canadian dollars, except where noted)

Balance, March 31, 2026	440,272
Interest expense	6,341
Lease payments	(50,067)
Currency translation effects	7,400
Balance, June 30, 2026	**403,946**
Current portion	143,171
Non-current portion	260,775

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

	$
2027	211,752
2028	218,112
2029	-
Total undiscounted lease liability	**429,864**
Effects of discounting	(25,918)
Balance, June 30, 2026	**403,946**

Interest expense from leases for the three months ended June 30, 2026 was $6,341 (June 30, 2025 - $12,389).

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

	$
Balance, March 31, 2025	704,279
Additions	-
Interest income	34,634
Lease payments	(233,695)
Currency translation effects	(23,198)
Balance, March 31, 2026	**482,019**
Interest income	6,936
Payments received	(55,908)
Effects of movement in exchange rates	8,073
Balance, June 30, 2026	**441,120**
Current portion	210,503
Non-current portion	230,617

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

	$
2027	231,283
2028	238,221
Total undiscounted lease receivables	**469,504**
Effects of discounting	(28,384)
Balance, June 30, 2026	**441,120**

Interest income from the sublease for the three months ended June 30, 2026 was $ 6,936 (May 31, 2026 - $9,694) and was recorded within revenue in profit or loss.

9. Goodwill

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

	Total
	$
Cost	
Balance, March 31, 2025	**-**
Addition due to business combination	1,239,094
Currency translation effects	1,317
Balance, March 31, 2026 and June 30, 2026	**1,240,411**
Accumulated impairment	
Balance, March 31, 2025	**-**
Impairment	1,240,411
Balance, March 31, 2026 and June 30, 2026	**1,240,411**
Carrying value	
Balance, March 31, 2026	-
Balance, June 30, 2026	**-**

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	June 30, 2026	March 31, 2026
	$	$
Accounts payables	**1,356,779**	1,588,343
Accrued liabilities	**105,630**	103,660
	1,462,409	1,692,003

11. LOANS PAYABLE

A summary of the Company's loans payable is as follows:

	June 30, 2026	March 31, 2026
	$	$
Promissory note payable — current (note 11(a))	83,494	67,654
Promissory note payable — non-current (note 11(a))	139,079	157,257
Convertible debenture — non-current (note 11(b))	311,363	296,263
	533,936	521,174

a) Promissory note payable — KraftyLab LLC

In January 2026, in connection with the acquisition of the business of Kraftylab (Note 20), NexTech AR Solutions Inc., a wholly-owned subsidiary of the Company, entered into a promissory note with KraftyLab LLC (the "Lender") in the principal amount of US$200,000. The note bears interest at 7% per annum and is repayable in 36 equal monthly installments of US$6,175 (inclusive of principal and interest), commencing February 1, 2026. On initial recognition, the note was measured at US$166,104 being the present value of the contractual cash flows discounted at a market rate of 22% per annum. This initial discount of US$33,896 will be amortized to finance costs over the term of the note using the effective interest method. The note is denominated in United States dollars and translated at the closing exchange rate at each reporting date. The following table presents a continuity of the balance:

$

(Unaudited - Expressed in Canadian dollars, except where noted)

Principal advanced — US$ 166,104 translated at CAD/USD 1.377	228,692
Interest translated at CAD/USD 1.3717	10,426
Repayment translated at CAD/USD 1.3717	(16,942)
Effect of translation	2,735
Balance, March 31, 2026	**224,911**
Interest translated at CAD/USD 1.3843	7,743
Repayment translated at CAD/USD 1.3843	(25,646)
Effect of translation	15,565
Balance, June 30, 2026	**222,573**
Current portion	83,494
Non-current portion	139,079

Interest expense on the promissory note for the three-month period ended June 30, 2026 was $ 7,743 (June 30, 2025 — $nil).

(b) Convertible debenture — related party

On January 5, 2026, the Company issued an unsecured convertible debenture (the "Debenture") to Chief Executive Officer, in the principal amount of $321,917. The key terms are as follows:

Maturity date	July 5, 2027 (18 months from issuance)
Interest rate	12% per annum, simple interest; accrues during the term and is payable in cash at the earlier of maturity, conversion, or prepayment
Conversion feature	Holder may convert the outstanding principal into common shares at $0.165 per share (1,951,012 shares on full conversion) on five business days' written notice; accrued interest is paid in cash on conversion
Detachable warrants	1,951,012 common share purchase warrants issued concurrently (one warrant per $0.165 of principal); each exercisable at $0.165 per share until January 5, 2029
Security	Unsecured

The Debenture is a compound financial instrument under IAS 32 Financial Instruments: Presentation. The conversion option and the detachable warrants each satisfy the fixed-for-fixed criterion (a fixed number of shares for a fixed amount of cash, both denominated in the Company's functional currency) and are classified as equity. No derivative liability is recognized.

At initial recognition, the proceeds of $321,917 were allocated between the liability and equity components using the residual method (IAS 32.28–32). The liability component was measured at $281,895, being the present value of the contractual cash flows discounted at a market rate of 22% per annum — the estimated rate at which the Company could borrow on an otherwise identical non-convertible, unsecured instrument given its credit profile and the 18-month term. The residual of $40,022 was recorded in reserves ($20,011 to the conversion option reserve and $20,011 to the warrant reserve). The equity components are not remeasured after initial recognition.

The following table presents a continuity of the liability component:

	$
Liability component at initial recognition, January 5, 2026	281,895
Add: accretion of discount recognized as interest expense	14,368
Balance, March 31, 2026	**296,263**
Add: Accretion of discount recognized as interest expense	**15,100**
Balance, June 30, 2026	**311,363**

(Unaudited - Expressed in Canadian dollars, except where noted)

Current portion	—
Non-current portion	311,363

Interest expense on the Debenture for the 3-month period ended June 30, 2026 was $15,100 (June 30, 2025 — $nil), recognized using the effective interest method and presented within interest expense on the consolidated statements of loss and comprehensive loss.

The full principal of $321,917 plus simple interest of $57,945 ($321,917 × 12% × 18/12) is due on July 5, 2027, unless converted prior to maturity. The Debenture is classified as non-current as its maturity date is beyond 12 months from the reporting date.

12. SHARE CAPITAL

a) Authorized

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

b) Share capital

During the three months ended June 30, 2026, the Company had the following share transactions:

- From April 1, 2026 to June 30, 2026, the Company issued 2,417,118 common shares upon the exercise of warrants related to the employee pay program, at share price of $0.16, for cash proceeds of $386,739.
- From April 1, 2026 to June 30, 2026, the Company issued 1,696,054 common shares to various individuals upon the exercise of options with the exercise price of $0.04-$0.15.

During the period ended March 31, 2026, the Company had the following share transactions:

- From April 1, 2025 to March 31, 2026, the Company issued 30,283,120 common shares upon the exercise of warrants related to the employee pay program, with share prices between $0.03 and $0.20, for cash proceeds of $ 2,184,457.
- From April 1, 2025 to March 31, 2026, the Company issued 3,507,040 common shares upon the exercise of warrants, with share prices between $0.18 and $0.19, for cash proceeds of $648,732.
- On November 18, 2025, the Company issued 2,000,000 common shares to its employees as compensation for their employment services, resulting in the recognition of $ 420,000 as share-based compensation.

c) Employee pay program

On May 30, 2025, to Feb 03, 2026, the Company granted 26,117,971 warrants to its employees. Each warrant has exercise price of $0.02 to $0.14. As of June 30, 2026, a total of 19,396,654 warrants have been converted into common shares, out of which 2,417,118 converted during the period ended June 30, 2026

d) Warrants

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

	Number of warrants	Weighted average exercise price
	#	$
Balance, March 31, 2025	31,278,988	0.21
Adjustment[1]	3,867,468	1.02
Granted	28,068,983	0.07
Exercised	(33,790,159)	0.07
Expired	(1,383,027)	0.13
Balance, March 31, 2026	28,042,253	0.36
Exercised	**(2,417,118)**	**0.06**
Expired	**(117,600)**	**0.05**
Balance, June 30, 2026	**25,507,535**	**0.38**

(Unaudited - Expressed in Canadian dollars, except where noted)

The weighted average share price on the date of exercise for warrants exercised during the three months ended June 30, 2026 was $0.16 (March, 31 2026 - $0.06).

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

Expiry date	Number	Weighted average exercise price	Weighted average remaining life
	#	$	Years
July 25, 2026	6,708,094	0.52	0.07
October 24, 2026	440,530	0.02	0.32
November 10, 2026	1,800,360	0.17	0.36
November 24, 2026	3,808,682	0.17	0.40
November 29, 2026	379,320	0.17	0.42
September 25, 2026	4,806,000	0.14	0.24
January 5, 2027	1,951,012	0.17	0.52
January 31, 2027	3,867,468	1.02	0.59
February 28, 2027	1,746,069	0.14	0.67
	25,507,535	**0.38**	**0.33**

e) Stock options

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

	Number of stock options	Weighted average exercise price
	#	$
Balance outstanding, March 31, 2025	4,023,000	0.13
Granted	8,150,000	0.05
Forfeited	(2,592,000)	0.08
Cancelled	(661,500)	0.21
Expired	(1,052,000)	0.14
Balance outstanding, March 31, 2026	**7,867,500**	**0.06**
Forfeited	(225,000)	0.04
Cancelled	(256,446)	0.10
Expired	(1,696,054)	
Balance outstanding, June 30, 2026	**5,690,000**	**0.16**
Balance exercisable, June 30, 2026	**2,802,000**	**0.50**

On June 23, 2025, the Company granted 7,150,000 stock options to various employees. These stock options vest in four equal tranches every Nine 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 $237,145.

On September 17, 2025, the Company granted 1,000,000 stock options to various employees. These stock options vest in five equal tranches every Nine 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.

As at March 31, 2026, the Company had 1,350,000 stock options outstanding under the Toggle Employee Stock Option Plan. Of the total outstanding options, 750,000 expire on July 5, 2026 and 600,000 expire on January 10, 2028. These options vest in accordance with their respective vesting schedules over specified periods from the grant dates.

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

(Unaudited - Expressed in Canadian dollars, except where noted)

Expiry date	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	$	Years
January 30, 2027	40,000	32,000	0.23	0.59
June 23, 2027	5,125,000	2,600,000	0.04	0.98
January 10, 2028	325,000	130,000	0.07	1.53
September 17, 2028	200,000	40,000	0.15	2.22
	5,690,000	**2,802,000**	**0.05**	**1.05**

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for stock options granted during the 3-month period ended June 30, 2026 and 12 month period ended March 31, 2026 is as follows

	June 30, 2026	March 31, 2026
Share price	**0.07**	0.07
Exercise price	**0.06**	0.06
Risk-free interest rate	**3.32%**	3.22%
Expected life	**2 Years**	2 Years
Expected volatility	**139%**	165%
Expected annual dividend yield	**0%**	0%

During the period ended June 30, 2026, $ 57,583 (June 30, 2025 – 59,907) was recognized as share-based compensation from vested options. Included in the share-based compensation 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 for the period ended June 30, 2026 and June 30, 2025 is as follows:

	June 30, 2026	June 30, 2025
	$	$
Cost of sales	**2,219**	15,343
Sales and marketing	**-**	37,678
General and administrative	**55,365**	-
Research and development	**-**	6,886
	57,583	59,907

13. NON-CONTROLLING INTEREST

The Company holds a 39`% equity interest in ARway and a 31% equity interest in Toggle. Notwithstanding these minority economic interests, the Company has concluded that it controls both entities under IFRS 10, as it is exposed to variable returns from its involvement with them and has the ability to direct their relevant activities through its majority representation on their respective boards of directors. As control exists, the entities are consolidated in full, and the share of net assets and results not attributable to the Company - 61% for ARway and 69% for Toggle - is presented as non-controlling interest.

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

	ARway	**Toggle**	**Total**
	$	$	$
Balance, March 31, 2025	373,119	2,628,401	3,001,520
Share-based compensation	21,229	32,079	53,308
Other net changes in capitalization[1]	145,579	10,373	155,951
Decrease in parents' ownership - sale to NCI	-	-	-

[1] *Represents the net impact of share issuances by ARway Corporation and Toggle3D.ai Inc. to third parties during the period, which resulted in changes to the Company's ownership percentage in each subsidiary. The resulting dilution gains and losses, calculated as the difference between the carrying value of the non-controlling interest acquired/diluted and the consideration received by the subsidiary, are recognized directly in equity in accordance with IAS 27. No amounts have been recognized through profit or loss.*

(Unaudited - Expressed in Canadian dollars, except where noted)

Net loss attributed to non-controlling interest	176,321	(86,234)	90,087
Balance, March 31, 2026	**716,248**	**2,584,619**	**3,300,867**
Share-based compensation	-	1,521	1,521
Other net changes in capitalization[2]	-	(1,521)	(1,521)
Decrease in parents' ownership - sale to NCI	-	-	-
Net loss attributed to non-controlling interest	24,161	(39,080)	(14,918)
Balance, June 30, 2026	**740,409**	**2,545,539**	**3,285,949**

14. 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 for the 3 month period ended June 30, 2026 and June 30, 2025, is as follows:

	June 30, 2026	June 30, 2025
	$	$
Compliance fees included in general and administrative	**4,500**	3,750
Management fees included in general and administrative	**400,955**	143,872
Salaries of the Chief Financial Officer included in general and administrative	**37,500**	37,500
Share-based compensation	**16,629**	73,816
	459,584	258,938

The Company has an agreement with the Chief Executive Officer ("CEO") in which the Company compensates the CEO for management services monthly, combining cash and share issuance over a five-year term until April 1, 2027. As of June 30, 2026, related party payables included $894,068 owed to the CEO. The amounts are non-secured, non-interest bearing, payable on demand and represent the value of shares to be issued to the CEO.

15. REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Revenue disaggregation

A summary of the Company's revenue disaggregation by service for the 3 month period ended June 30, 2026 and June 30, 2025, is as follows:

	June 30, 2026	June 30, 2025
	$	$
Event technology solutions	**400,252**	271,536
Event experience and services	**210,934**	-
3D solutions	**48,493**	44,094
Others	**480**	12,462
	660,159	328,092

b) Deferred revenue

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

	$

[2] *Represents the net impact of share issuances by ARway Corporation and Toggle3D.ai Inc. to third parties during the period, which resulted in changes to the Company's ownership percentage in each subsidiary. The resulting dilution gains and losses, calculated as the difference between the carrying value of the non-controlling interest acquired/diluted and the consideration received by the subsidiary, are recognized directly in equity in accordance with IAS 27. No amounts have been recognized through profit or loss.*

(Unaudited - Expressed in Canadian dollars, except where noted)

Balance, March 31, 2025	498,171
Revenue recognized	(1,099,346)
Revenue deferred	801,123
Currency translation effects	(794)
Balance, March 31, 2026	**199,154**
Revenue recognized	**(225,640)**
Revenue deferred	**455,947**
Currency translation effects	**7,626**
Balance, June 30, 2026	**437,087**

16. 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 for the 3-month period ended June 30, 2026 and June 30, 2025 is as follows:

	Three months ended June 30,	
	2026	**2025**
		$
Cost of products/services	**59,096**	13,293
Consultant fees	**26,053**	-
Salaries, wages, and commissions	**44,331**	19,175
	129,865	32,468

b) Sales and marketing

A summary of the Company's sales and marketing expense for the 3-month period ended June 30, 2026 and June 30, 2025 is as follows:

	Three months ended June 30,	
	2026	2025
		$
Advertising	**12,048**	1,112
Consulting fees	**116,235**	21,524
Employee benefits	**-**	1,113
Investor relations	**3,855**	40,219
Salaries, wages, and commissions	**135,717**	53,149
Software and other expenses	**20,683**	29,350
	288,538	146,467

c) General and administrative

A summary of the Company's general and administrative expense for the 3-month period ended June 30, 2026 and June 30, 2025 is as follows:

	Three months ended June 30,	
	2026	2025
	$	$
Compliance fees	**33,422**	29,906
Computer, software and maintenance	**19,371**	49,094
Consultant fees	**29,708**	19,913
Employee benefits	**54,445**	29,015
Interest expense	**-**	23,030
Management fees	**354,739**	107,639

(Unaudited - Expressed in Canadian dollars, except where noted)

Professional fees	**59,129**	43,470
Salaries and wages	**73,279**	72,293
Shipping and warehouse costs	**13,687**	-
Office, general and other expenses	**110,362**	53,532
	748,142	427,892

d) Research and development

A summary of the Company's research and development expense for the 3-month period ended June 30, 2026 and June 30, 2025 is as follows:

		Three months ended June 30,
	2026	2025
	$	$
Consulting fees	**95,749**	111,773
Employee benefits	**2,212**	269
Salaries and wages	**77,335**	19,815
Platform, maintenance and other expenses	**61,654**	40,542
	236,950	172,399

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at June 30, 2026, the Company's financial assets and liabilities include cash and cash equivalents, trade receivables, deferred consideration, accounts payable, promissory note payable, related party convertible debenture 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.

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 June 30, 2026, the Company had cash and cash equivalents of $149,638 (March 31, 2026 - $254,149) and working capital deficit of $1,845,817 (March 31, 2026 - $1,802,205).

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 June 30, 2026, 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 $ 55,235.

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 June 30, 2026, the Company had shareholders' deficiency of $2,321,208 (March 31, 2026 - shareholders' deficiency of $2,250,279).

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 3-month period ended June 30, 2026.

As at June 30, 2026, the Company was not subject to any externally imposed capital requirements.

19. SUBSEQUENT EVENTS

On Jul 06, 2026, the Company issued 8,584,573 warrants related to employee pay program. The warrants have an exercise price of $0.14 per share and expire on Jul 06, 2027.

On Jul 10, 2026, 3,226,652 warrants related to employee pay program have an exercise price of $0.14 per share has been exercised.

On Jul 25, 2026, 6,062,390 warrants with an exercise price of $0.52 expired unexercised.

On Jul 25, 2026, 645,704 broker warrants having an exercise price of $0.52 expired unexercised.