



Hypercharge Networks Corp.

Condensed Consolidated Interim Financial Statements

For the three-months ended June 30, 2025

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared by and are the responsibility of management of Hypercharge Networks Corp. (the "Company" or "Hypercharge"). The Company's independent auditor has not performed a review of these Interim Financial Statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Hypercharge Networks Corp.Condensed Consolidated Interim Statements of Financial Position
(EXPRESSED IN CANADIAN DOLLARS)

	Note	June 30, 2025 (unaudited)	March 31, 2025 (audited)
ASSETS			
Current assets			
Cash and cash equivalents		\$ 1,093,533	\$ 862,499
Accounts receivable	3	2,563,328	2,567,449
Prepaid expenses and other current assets		1,190,473	1,128,900
Inventory	4	307,750	1,401,188
		<u>5,155,084</u>	<u>5,960,036</u>
Non-Current assets			
Property and equipment	5	133,355	158,761
Prepaid expenses		82,721	76,000
Right-of-use assets	6	23,560	47,122
		<u>239,636</u>	<u>281,883</u>
Total assets		\$ <u>5,394,720</u>	\$ <u>6,241,919</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 2,444,447	\$ 2,824,315
Current portion of deferred revenue		1,507,914	2,449,424
Current portion of lease liabilities	6	17,846	49,766
Holdbacks payable		10,203	10,203
		<u>3,980,410</u>	<u>5,333,708</u>
Non-Current liabilities			
Deferred revenue		289,554	286,673
		<u>289,554</u>	<u>286,673</u>
Total liabilities		<u>4,269,964</u>	<u>5,620,381</u>
EQUITY			
Share capital	9	25,225,511	24,275,327
Warrants reserve	9	645,383	1,968,122
Share-based payment reserve	9	713,671	978,971
Obligation to issue shares	9	22,500	22,500
Accumulated other comprehensive income (loss)		2,027	(19,762)
Accumulated deficit		<u>(25,484,336)</u>	<u>(26,603,620)</u>
Total shareholders' equity		<u>1,124,756</u>	<u>621,538</u>
Total liabilities and equity		\$ <u>5,394,720</u>	\$ <u>6,241,919</u>
<i>Going concern</i>	1		
<i>Subsequent events</i>	18		

Approved on behalf of the Board:

"Keith Inman"

Keith Inman, Director

"Malcolm Davidson"

Malcolm Davidson, Director

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

Hypercharge Networks Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(EXPRESSED IN CANADIAN DOLLARS, EXCEPT FOR THE NUMBER OF SHARES)
(Unaudited)

	Note	Three months ended June 30, 2025	Three months ended June 30, 2024
Revenue	15	\$ 3,404,582	\$ 898,249
Cost of sales	16	<u>(2,563,190)</u>	<u>(662,448)</u>
Gross profit		841,392	235,801
Operating Expenses			
General and administrative	17	658,786	1,195,111
Sales and marketing	17	406,007	475,091
Research and development	17	193,409	203,715
Total Operating Expenses		<u>1,258,202</u>	<u>1,873,917</u>
Operating loss		(416,810)	(1,638,116)
Other expenses (income)			
Foreign exchange loss		11,194	636
Interest income, net		(2,744)	(28,301)
Other income		(594)	(312)
Total other expenses (income)		<u>7,856</u>	<u>(27,977)</u>
Net loss		\$ <u>(424,666)</u>	\$ <u>(1,610,139)</u>
Other comprehensive income:			
Cumulative translation difference		21,789	(345)
Comprehensive loss		<u>(402,877)</u>	<u>(1,610,484)</u>
Basic and diluted loss per share		\$ <u><u>(0.00)</u></u>	\$ <u><u>(0.02)</u></u>
Weighted average number of shares outstanding			
- basic and diluted		<u><u>97,463,769</u></u>	<u><u>70,444,985</u></u>

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

Hypercharge Networks Corp.
Condensed Consolidated Interim Statements of Changes in Equity
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

	Note	Share capital	Share-based payment reserve	Warrant reserve	Obligation to issue shares	Accumulated other comprehensive loss	Deficit	Total shareholders' equity
Balance, March 31, 2024		\$ 22,659,575	\$ 1,307,173	\$ 2,118,149	\$ -	\$ (3,575)	\$ (22,576,217)	\$ 3,505,105
Share-based payments	9 & 11	-	209,169	913	-	-	-	210,082
Performance Share Units Vested	9	-	(94,272)	-	94,272	-	-	-
Restricted Share Units Vested	9	30,661	(146,078)	-	107,236	-	-	(8,181)
Transfer on forfeiture of stock options		-	(7,099)	-	-	-	7,099	-
Net loss		-	-	-	-	-	(1,610,139)	(1,610,139)
Other comprehensive loss		-	-	-	-	(345)	-	(345)
Balance, June 30, 2024		<u>\$ 22,690,236</u>	<u>\$ 1,268,893</u>	<u>\$ 2,119,062</u>	<u>\$ 201,508</u>	<u>\$ (3,920)</u>	<u>\$ (24,179,257)</u>	<u>\$ 2,096,522</u>

	Note	Share capital	Share-based payment reserve	Warrant reserve	Obligation to issue shares	Accumulated other comprehensive loss	Deficit	Total shareholders' equity
Balance, March 31, 2025		\$ 24,275,327	\$ 978,971	\$ 1,968,122	\$ 22,500	\$ (19,762)	\$ (26,603,620)	\$ 621,538
Common shares issued	9	844,835	-	-	-	-	-	844,835
- Issuance cost - cash		(5,790)	-	-	-	-	-	(5,790)
- Issuance cost - advisory warrants		(2,458)	-	2,458	-	-	-	-
Share-based payments	9 & 11	-	89,691	399	-	-	-	90,090
Performance Share Units Vested	9	18,333	(32,085)	-	-	-	-	(13,752)
Restricted Share Units Vested	9	95,264	(104,552)	-	-	-	-	(9,288)
Transfer on forfeiture of stock options		-	(218,354)	-	-	-	218,354	-
Transfer on forfeiture of performance warrants		-	-	(1,325,596)	-	-	1,325,596	-
Net loss		-	-	-	-	-	(424,666)	(424,666)
Other comprehensive loss		-	-	-	-	21,789	-	21,789
Balance, June 30, 2025		<u>\$ 25,225,511</u>	<u>\$ 713,671</u>	<u>\$ 645,383</u>	<u>\$ 22,500</u>	<u>\$ 2,027</u>	<u>\$ (25,484,336)</u>	<u>\$ 1,124,756</u>

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

Hypercharge Networks Corp.

Condensed Consolidated Interim Statements of Cash Flows
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

	Note	Three months ended June 30, 2025	Three months ended June 30, 2024
Cash provided by (used in):			
Operating activities:			
Net loss		\$ (424,666)	\$ (1,610,139)
Items not involving cash:			
Share-based payments	9 & 11	90,090	210,082
Depreciation and amortization	5 & 6	48,490	74,325
Non-cash interest, net	6	918	82
Changes in non-cash working capital items:			
Accounts receivable		264,326	166,530
Inventory		1,093,438	50,643
Prepaid expenses and other current assets		(69,373)	256,640
Accounts payable and accrued liabilities		(663,615)	114,355
Deferred revenue		(937,697)	753,433
Net cash (used in) provided by operating activities		(598,089)	15,951
Investing activities:			
Lease payments received		-	38,025
Purchase of equipment	5	-	(56,247)
Net cash used in investing activities		-	(18,222)
Financing activities:			
Common shares issued for cash, net of cash transaction costs	9	839,045	-
Repayments of lease liability	8	(32,838)	(55,122)
Net cash provided by (used in) financing activities		806,207	(55,122)
Increase (decrease) increase in cash flows		208,118	(57,393)
Net foreign exchange difference		22,916	(86)
Cash and cash equivalents, beginning of the period		862,499	2,497,063
Cash and cash equivalents, end of the period		\$ 1,093,533	\$ 2,439,584
Supplemental cash flow information	10		

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

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

1. Entity information

Hypercharge Networks Corp. (the "Company" or "Hypercharge") was incorporated under the Business Corporations Act (British Columbia) on September 5, 2018. The head office of the Company, as well as the registered and records office is located at 1075 W. 1St St., #208, North Vancouver, British Columbia, V7P 3T4. Effective March 28, 2024, the Company's common shares ("Common Shares") began trading on the TSX Venture Exchange ("TSXV") under the symbol "HC". Prior to March 28, 2024 and beginning on November 16, 2022, the Company's Common Shares were listed on the NEO Exchange Inc. ("NEO") which was acquired by Cboe Canada and subsequently on the Frankfurt Stock Exchange under the symbol "PB7", and the OTCQB Venture Market under the symbol "HCNWF".

The Company is in the business of providing electric vehicle (EV) charging equipment and solutions. The Company has established teams in British Columbia, Ontario, and California with experience in EV technology, software and hardware, and supplies and installs EV charging stations across North America.

The Company is an early-stage company and is primarily dependent on externally provided financing to continue as a going concern. Additional funds will be required to enable the Company to pursue its strategic initiatives and the Company may be unable to obtain sufficient financing or financing on satisfactory terms, if at all. Furthermore, there is no assurance that the Company will be profitable. Management intends to finance operating costs over the next twelve months with its cash on hand, and/or additional financing. These conditions indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

Concerns about global economic and financial fragmentation have intensified in recent years amid rising geopolitical tensions. The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, tariffs, changes in laws, and national and international circumstances. The current circumstances are dynamic and the duration of the conflicts and related impact of imposed sanctions on the business cannot be reasonably estimated at this time. While the Company expects any direct impacts of the conflicts to the business to be limited, the direct impacts on the economy may negatively affect the business and future operations.

2. Material accounting policies

(a) Statement of compliance

These Interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and note disclosure normally included in annual financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") have been omitted or condensed, and therefore these Interim Financial Statements should be read in conjunction with the Company's March 31, 2025, audited annual financial statements and the notes to such financial statements. Certain comparative figures have been reclassified to conform with current period presentation.

The consolidated financial statements of the Company for the three months ended June 30, 2025 were authorized for issue by the board of directors of the Company ("Board") on August 29, 2025.

Hypercharge Networks Corp.

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(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

2. Material accounting policies (continued)*(b) New accounting pronouncements*

The following accounting standard and amendments have been issued by the IASB that are not yet effective as of the date of the consolidated financial statements. The Company intends to adopt such standards upon the mandatory effective date.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to give investors more transparent and comparable information about companies' financial performance for better investment decisions.

1. Three defined categories for income and expenses - operating, investing and financing - to improve the structure of the income statement, and require all companies to provide new defined subtotals, including operating profit.
2. Requirement for companies to disclose explanations of management-defined performance measures (MPMs) that are related to the income statement.
3. Enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes.

This new standard is effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its consolidated financial statements.

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

3. Accounts receivable

As at	June 30, 2025	March 31, 2025
Trade accounts receivable	\$ 2,729,530	\$ 2,801,693
Interest receivable	3,332	2,606
Other receivables	121,413	46,370
	\$ 2,854,275	\$ 2,850,669
Loss allowance	(290,947)	(283,220)
	\$ 2,563,328	\$ 2,567,449

During the three months ended June 30, 2025 and 2024, the movement of the Company's loss allowance recorded in office and administration expenses is as follows:

As at	June 30, 2025	March 31, 2025
Balance, beginning of period	\$ 283,220	\$ 237,765
Provision for loss allowance recognized	7,727	45,455
Balance, end of period	\$ 290,947	\$ 283,220

4. Inventory

The Company's inventory consists of EV chargers and components available for sale to customers. During the three months ended June 30, 2025, the Company recorded \$2,481,964 of inventory as an expense of cost of goods sold (2024 - \$549,870). As at June 30, 2025, the Company's inventory balance was \$307,750 (March 31, 2025 - \$1,401,188)

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

5. Property and equipment

Cost	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
March 31, 2024	\$ 46,417	\$ 37,924	\$ 68,402	\$ 224,973	\$ 377,716
Additions	1,742	6,809	-	76,722	85,273
Disposals and transfer to inventory	-	-	(68,402)	(24,803)	(93,205)
Movement in foreign exchange	133	-	-	732	865
March 31, 2025	\$ 48,292	\$ 44,733	\$ -	\$ 277,624	\$ 370,649
Movement in foreign exchange	(121)	-	-	(669)	(790)
June 30, 2025	\$ 48,171	\$ 44,733	\$ -	\$ 276,955	\$ 369,859

Accumulated Depreciation	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
March 31, 2024	\$ 22,316	\$ 9,354	\$ 61,534	\$ 69,872	\$ 163,076
Additions	14,385	8,520	6,868	94,131	123,904
Disposals and transfer to inventory	-	-	(68,402)	(6,890)	(75,292)
Movement in foreign exchange	59	-	-	141	200
March 31, 2025	\$ 36,760	\$ 17,874	\$ -	\$ 157,254	\$ 211,888
Additions	2,611	2,282	-	20,037	24,930
Movement in foreign exchange	(76)	-	-	(238)	(314)
June 30, 2025	\$ 39,295	\$ 20,156	\$ -	\$ 177,053	\$ 236,504

Net book value	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
June 30, 2025	\$ 8,876	\$ 24,577	\$ -	\$ 99,902	\$ 133,355
March 31, 2025	\$ 11,532	\$ 26,859	\$ -	\$ 120,370	\$ 158,761

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Notes to the Condensed Consolidated Interim Financial Statements
For the three months ended June 30, 2025 and 2024
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

6. Leases*(a) Right-of-use assets*

		Buildings
Balance, March 31, 2024	\$	242,424
Depreciation		(152,751)
Termination		(42,551)
Balance, March 31, 2024		47,122
Depreciation		(23,560)
June 30, 2025	\$	23,560

(b) Lease liabilities

Balance, March 31, 2024	\$	252,529
Interest expense		13,379
Terminations		(26,614)
Lease payments		(189,528)
Balance, December 31, 2024		49,766
Interest expense		918
Terminations		(32,838)
Balance, June 30, 2025	\$	17,846

As of		June 30, 2025		March 31, 2025
Current	\$	17,846	\$	49,766
Non-current		-		-
	\$	17,846	\$	49,766

During the three months ended June 30, 2025, the Company recorded interest expense of \$918 (2024 - \$4,692) associated with interest on lease liabilities. The Company has entered into contracts for office and commercial use spaces, of which the terms end in 2025. During the three months ended June 30, 2025, the lease liability has been measured by discounting future non-cancellable payments using incremental borrowing rates ranging from 7.8% - 9.3% (2024 - 7.8% - 9.3%).

7. Share capital*(a) Authorized*

The Company has authorized an unlimited number of Common Shares without par value.

(b) Issued

As at June 30, 2025, there were 100,970,573 (March 31, 2025 - 87,399,476) Common Shares issued and outstanding.

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

9. Share capital (continued)*(b) Issued (continued)*

	Number of Common shares	Share Capital
Balance, March 31, 2024	70,396,834	22,659,575
Common shares issued, net of share issue costs	16,111,527	970,878
Performance share units settled	181,670	123,889
Restricted share units settled	709,445	520,985
Balance, March 31, 2025	87,399,476	\$ 24,275,327
Common shares issued, net of share issue costs	12,997,461	836,587
Performance share units settled	275,000	18,333
Restricted share units settled	298,656	95,264
Balance, June 30, 2025	100,970,593	\$ 25,225,511

On March 14, 2025 (the "Closing Date"), the Company closed the first tranche of a non-brokered private placement financing, pursuant to which the Company issued an aggregate of 16,111,527 units of the Company (each, a "Unit") at a price of \$0.065 per Unit, for aggregate gross proceeds of \$1,047,250 (the "Financing"). Each Unit is comprised of one common share of the Company (each, a "Share") and one common share purchase warrant of the Company (each, a "Warrant"). Each Warrant is transferable and entitles the holder thereof to acquire one Share at any time for a period of three (3) years from the date of issuance at a price of \$0.12 per Share. If during the period beginning four months and one day after the Closing Date, the Company's shares trade on the TSXV at or above a daily volume weighted average trading price of \$0.20 per Common Share for ten (10) consecutive trading days, the Company will be entitled to give notice that the Warrants will expire thirty (30) days from the date of providing such notice. In connection with the Financing, the Company paid finders fees of \$52,740 and issued 811,382 finder's warrants (the "Finder's Warrants") to certain eligible finders with a grant date fair value of \$23,632 were recorded as share issuance costs. Each Finder's Warrant entitles the holder to acquire one Share for a period of three (3) years from the date of issuance at a price of \$0.12 per Share.

On April 23, 2025, the Company closed the second and final tranche (the "Second Tranche") of its Financing through the issuance of a further 12,997,461 Units of the Company at a price of \$0.065 per Unit for gross proceeds of \$844,835. In connection with the Second Tranche, the Company paid finders fees of \$5,790 and issued 87,540 Finder's Warrants with a grant date fair value of \$2,458.

During the three months ended June 30, 2025, the Company issued 298,656 Common Shares (2024 - 49,980) upon the settlement of 421,827 employee RSUs during the period (2024 - 58,333).

During the three months ended June 30, 2025, the Company issued 275,000 Common Shares (2024 - nil) upon the settlement of 458,337 employee PSUs during the period (2024 - nil).

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

9. Share capital (continued)*(c) Warrants**(i) Non-performance warrants*

The non-performance warrant continuity schedule is as follows:

	Three months ended June 30, 2025		Three months ended June 30, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of year	19,303,861	\$ 0.12	2,380,952	\$ 1.35
Granted	13,085,001	0.12	-	-
Exercised	-	-	-	-
Balance, end of year	32,388,862	\$ 0.12	2,380,952	\$ 1.35
Warrants exercisable, end of year	32,388,862	\$ 0.12	2,380,952	\$ 1.35

Details of the Company's non-performance warrants outstanding as at June 30, 2025, are as follows:

Exercise price	Number of warrants outstanding	Expiry date
\$ 0.12(*)	2,380,952	May 17, 2026
\$ 0.12	16,922,909	March 14, 2028
\$ 0.12	13,085,001	April 23, 2028
	32,388,862	

(*) During the year ended March 31, 2025, these warrants were repriced from \$1.35 to \$0.12. A forced exercise clause was also added, whereby the exercise period of the warrants will be reduced to 30 days, if for any 10 consecutive trading days, the closing price of the shares exceeds the exercise price of the warrants by 25% or more.

The weighted average remaining contractual life of the non-performance warrants outstanding at June 30, 2025, excluding the non-performance warrants without a fixed expiry date is 2.61 years (March 31, 2025 – 2.73 years).

Hypercharge Networks Corp.

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For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

9. Share capital (continued)*(c) Warrants (continued)**(i) Non-performance warrants (continued)*

During the three months ended June 30, 2025 the fair value related to the 87,540 finder's warrants of \$2,458 was determined using the Black-Scholes Model using the following assumptions:

	Three months ended June 30, 2025	
Exercise life		3 years
Expected volatility (*)		80.31%
Risk-free rate		2.65%
Dividend yield		-
Underlying share price	\$	0.065
Exercise price	\$	0.12

(*) – The Company measures its volatility based on a proxy of publicly traded companies that are similar in size and operate in a similar industry. The expected volatility reflects the assumption that historical volatility over a period similar to the life of the warrants is indicative of future trends which may not necessarily be the actual outcome.

(ii) Performance warrants

The performance warrant continuity schedule is as follows:

	Three months ended June 30, 2025		Three months ended June 30, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of the period	4,141,667	\$ 0.39	6,221,667	\$ 0.35
Exercised	-	-	-	-
Expired, Forfeited or cancelled	(1,591,667)	(0.25)	-	-
Balance, end of the period	2,550,000	\$ 0.48	6,221,667	\$ 0.35
Warrants exercisable, end of the period	1,660,000	\$ 0.42	3,321,667	\$ 0.32

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(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

9. Share capital (continued)*(c) Warrants (continued)**(ii) Performance warrants (continued)*

Details of the Company's performance warrants outstanding at June 30, 2025 are as follows:

Exercise price		Number of warrants outstanding	Expiry date
\$	0.40	1,500,000	May 13, 2027
\$	0.60	1,050,000	September 28, 2027
		2,550,000	

Details of the performance warrants exercisable at June 30, 2025 are as follows:

Exercise price		Number of warrants exercisable	Expiry date
\$	0.40	1,500,000	May 13, 2027
\$	0.60	160,000	September 28, 2027
		1,660,000	

The weighted average remaining contractual life of the performance warrants exercisable as at June 30, 2025 is 1.90 years (March 31, 2025 – 1.11 years).

The fair value of the performance warrants, including issuances and revaluations was determined using the Black-Scholes model using the following assumptions:

	Three months ended June 30, 2025	Three months ended June 30, 2024
Exercise life	2.25 years	3.00 – 3.24 years
Expected volatility (*)	84.61%	80.19%
Risk-free rate	2.59%	3.83%
Dividend yield	-	-
Underlying share price	\$ 0.095	\$ 0.105
Exercise price	\$ 0.60	\$ 0.25 - 0.60

(*) – The Company measures its volatility based on a proxy of publicly traded companies that are similar in size and operate in a similar industry. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the warrants is indicative of future trends which may not necessarily be the actual outcome.

Advisory warrants

On August 3, 2021, the Company granted 2,000,000 advisory warrants to an advisor in consideration of completing a future financing transaction. The advisory warrants vested upon the completion of the LIFE Financing, whereby the Company obtained listing on a Canadian stock exchange and conducted a subsequent offering to raise a minimum of \$5,000,000. The advisory warrants provide the holder with the opportunity to exercise one (1) warrant for one

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

(Unaudited)

9. Share capital (continued)*(c) Warrants (continued)**(ii) Performance warrants (continued)***Advisory warrants (continued)**

(1) Common Share at an exercise price of \$0.25 per Common Share for a period of two years from the vesting date. The Company has accounted for the transaction in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative fair value represents the best available estimate of the equity instruments expected to vest as at each reporting date. The advisory warrants vested on May 17, 2023, upon the closing of the LIFE Financing. On May 17, 2025, 1,591,667 unexercised advisory warrants were immediately forfeited.

Collaboration warrants

On August 5, 2021, as amended on November 25, 2021, the Company entered into a collaboration agreement (the "Target Park Agreement") with Target Park Group Inc. to initially supply, install and maintain 2,500 EV charging stations across North America over the next 36 months. In connection with the Target Park Agreement, the Company issued 2,080,000 performance warrants, 200,000 of which vested immediately with the remaining vesting occurring upon the successful completion of certain milestones during the three years following the commencement of the Target Park Agreement. The performance warrants, when vested, provide the holder with the right to exercise one warrant for one Common Share at an exercise price of \$0.25 per Common Share, valid for a period of three years from the date in which such tranche of warrants vested.

The Company has accounted for the Target Park Agreement in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative expense recorded represents the best available estimate of the equity instruments expected to vest as at June 30, 2025 and March 31, 2025. During the three months ended June 30, 2025, the Company did not record any share-based payment expense (2024 - \$642) relating to the share-based payment component of the Target Park Agreement.

On August 5, 2024, three years from the initiation date of the collaboration agreement, 200,000 vested performance warrants remained unexercised and therefore expired. Additionally, certain milestones related to the 1,880,000 performance warrants were not met, and as a result, the performance warrants were forfeited.

Consultant warrants

On September 28, 2022, the Company granted 1,050,000 performance warrants to a consultant of the Company, when vested and exercised, provides the holder with one (1) warrant for one (1) Common Share at an exercise price of \$0.60 per Common Share. The performance warrants vest in seven (7) tranches conditional upon the Company meeting certain thresholds with respect to charging ports delivered and invoiced.

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9. Share capital (continued)*(c) Warrants (continued)**(ii) Performance warrants (continued)*

The Company has accounted for the aforementioned transaction in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative expense recorded represents the best available estimate of the equity instruments expected to vest as at June 30, 2025 and March 31, 2025. During the three months ended June 30, 2025, the Company recorded share-based payment expense of \$399 (2024 - \$271) relating to the share-based payment component of this arrangement.

(d) Options

The Company has an equity incentive plan ("Incentive Plan") whereby the Company may grant equity-based incentive awards in the form of Options, PSUs, and RSUs to directors, officers, employees and independent consultants to purchase or receive Common Shares. The terms and conditions of each equity-based incentive award granted under the Incentive Plan are determined by the Board. The number of Common Shares reserved for issuance upon the exercise of Options cannot exceed 10% of the Company's issued and outstanding Common Shares at any time. The number of Common Shares reserved for issuance upon the vesting and settlement of PSUs and RSUs cannot exceed 7,000,000 Common Shares at any time. The exercise price of each Option shall not be less than the market price of the Company's stock on the day of grant and the maximum term of an Option is ten (10) years.

During the three months ended June 30, 2025, the Company recorded share-based payment expense of \$51,085 (2024 - \$38,853).

The Option continuity schedule for the three months ended June 30, 2025 and 2024 is as follows:

	Three months ended June 30, 2025		Three months ended June 30, 2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	4,055,926	\$ 0.34	3,500,721	\$ 0.43
Granted	2,018,250	0.07	185,205	0.21
Forfeited, cancelled, or expired	(570,000)	(0.55)	(30,000)	(0.38)
Balance, end of period	5,504,176	\$ 0.22	3,655,926	\$ 0.42
Options exercisable, end of period	3,209,141	\$ 0.31	3,017,288	\$ 0.41

Hypercharge Networks Corp.

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9. Share capital (continued)*(d) Options (continued)*

The following is a summary of the outstanding Options at June 30, 2025:

Exercise price		Number outstanding	Weighted average remaining contractual life	Number exercisable	Weighted average remaining vesting period
\$	0.065	714,285	4.88 years	-	1.14 years
\$	0.07	200,000	3.53 years	-	0.78 years
\$	0.08	1,878,965	4.42 years	707,715	1.04 years
\$	0.12	50,000	4.20 years	12,500	0.70 years
\$	0.13	20,000	3.95 years	5,000	1.95 years
\$	0.22	165,205	3.78 years	90,205	1.78 years
\$	0.25	1,250,000	1.00 years	1,250,000	-
\$	0.27	80,000	3.38 years	60,000	0.06 years
\$	0.54	700,000	3.28 years	650,000	0.28 years
\$	0.58	421,721	0.44 years	421,721	-
\$	0.60	24,000	2.51 years	12,000	1.01 years
		5,504,176		3,209,141	

The fair value of the Options granted during the three months ended June 30, 2025 and 2024 were estimated using the following Black-Scholes Model assumptions:

	Three months ended June 30, 2025		Three months ended June 30, 2024	
Expected life	5 years		5 years	
Expected volatility ^(*)	89.93% - 89.97%		86.77% - 87.73%	
Risk-free rate	2.77% - 2.84%		3.34% - 3.69%	
Dividend yield	-		-	
Underlying share price	\$	0.065 - 0.07	\$	0.105 - 0.22
Exercise price	\$	0.065 - 0.08	\$	0.105 - 0.22

(*) – The Company measures its volatility based on a proxy of publicly traded companies that are similar in size and operate in a similar industry. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Options is indicative of future trends which may not necessarily be the actual outcome.

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9. Share capital (continued)*(e) PSUs*

During the three months ended June 30, 2025, the Company recorded share-based payment expense of \$25,640 (2024 - \$34,401) for the PSUs issued to employees. The Company did not have any obligation to issue common shares for vested PSUs as at June 30, 2025 and March 31, 2025.

Set out below is a reconciliation of the changes in the PSUs as at June 30, 2025 and March 31, 2025:

	# of awards		
	Employee	Contractor	Total
Balance, March 31, 2024	685,000	1,000,000	1,685,000
Granted	916,674	-	916,674
Vested	(278,018)	-	(278,018)
Forfeited	(597,819)	-	(597,819)
Balance, March 31, 2025	725,837	1,000,000	1,725,837
Granted	1,108,409	-	1,108,409
Vested	(493,962)	-	(493,962)
Balance, June 30, 2025	1,340,284	1,000,000	2,340,284

The Company's PSUs include a net settlement feature under which the Company, upon request of the holder, may withhold a portion of the Common Shares to settle the tax obligations of the employee. During the three months ended June 30, 2025, the Company net settled 458,337 employee PSUs (2024 – 143,000) by withholding the number of shares with a fair value equal to the monetary value of the employees' tax obligations and issued only the remaining shares upon completion of the vesting period. During the three months ended June 30, 2025, the Company withheld 183,337 PSUs with a fair value of \$13,750 to settle the employees' tax obligations (2024 – 27,555 PSUs withheld with a fair value of \$19,924).

Hypercharge Networks Corp.

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9. Share capital (continued)*(f) RSUs*

During the three months ended June 30, 2025, the Company recorded share-based payment expense of \$12,966 associated with the service cost of RSUs (2024 - \$135,915). As at June 30, 2025, the Company recorded an obligation to issue shares of \$22,500 associated with 50,000 RSUs for which the shares had not been issued (March 31, 2025 – obligation of \$22,500 associated with 50,000 RSUs for which the shares had not been issued)

Set out below is a reconciliation of the changes in the RSUs as at June 30, 2025 and March 31, 2025:

	# of awards		
	Employee	Contractor	Total
Balance, March 31, 2024	1,257,709	-	1,257,709
Granted	688,493	-	688,493
Vested	(1,124,375)	-	(1,124,375)
Forfeited	(150,000)	-	(150,000)
Balance, March 31, 2025	671,827	-	671,827
Granted	512,857	-	512,857
Vested	(421,827)	-	(421,827)
Balance, June 30, 2025	762,857	-	762,857

The Company's RSUs include a net settlement feature under which the Company, upon request of the holder, may withhold a portion of the shares to settle the tax obligations of the employee. During the three months ended June 30, 2025, the Company net settled 421,827 RSUs (2024 – 230,625) by withholding the number of shares with a fair value equal to the monetary value of the employees' tax obligations and issued only the remaining shares upon completion of the vesting period. During the three months ended June 30, 2025, the Company withheld 123,170 RSUs with a fair value of \$9,289 to settle the employees' tax obligations (2024 – 54,772 RSUs withheld with a fair value of \$8,181).

(f) Reserves

The share-based payment reserve and warrant reserve record items recognized as share-based compensation expense and other share-based payments until such time that the Options and warrants are exercised or PSUs and RSUs are settled, at which time the corresponding amount will be transferred to share capital. Upon expiry of Options or warrants, the corresponding amount previously recorded to reserve will be transferred to deficit.

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10. Supplemental cash flow information

	March 31, 2025	Cash flows from financing activities	Non-cash adjustments		June 30, 2025
			Additions	Accretion	
Lease liabilities	\$ 49,766	\$ (32,838)	\$ -	\$ 918	\$ 17,846
	\$ 49,766	\$ (32,838)	\$ -	\$ 918	\$ 17,846

	March 31, 2024	Cash flows from financing activities	Non-cash adjustments		June 30, 2024
			Additions	Accretion	
Lease liabilities	\$ 252,529	\$ (55,122)	\$ -	\$ 4,692	\$ 202,099
	\$ 252,529	\$ (55,122)	\$ -	\$ 4,692	\$ 202,099

Components of cash and cash equivalents at June 30, 2025 and March 31, 2025:

	June 30, 2025		March 31, 2025	
Cash	\$	1,043,533	\$	812,499
Cash equivalents		50,000		50,000
Cash and cash equivalents	\$	1,093,533	\$	862,499

During the three months ended June 30, 2025, the Company paid interest of nil (2024 – nil) and income taxes of nil (2024 – nil) respectively.

Components of non-cash investing and financing activities during the three months ended June 30, 2025 and 2024 are as follows:

	June 30, 2025		June 30, 2024	
Issuance of finders' warrants	\$	2,458	\$	-

11. Related party transactions

Key management personnel include those persons who have authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board and corporate officers, including the CEO, and Chief Financial Officer ("CFO"). The Company measures related party transactions at the exchange amount which represents the consideration agreed upon between the Company and the related party.

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Related party transactions (continued)

In addition to cash compensation, the Company also permits participation in the Incentive Plan. The compensation paid to key management personnel and recorded in general and administrative expenses is as follows:

	Three months ended June 30, 2025		Three months ended June 30, 2024	
Wages and benefits	\$	108,261	\$	207,887
Share-based payments		52,754		157,379
Balance end of period	\$	161,015	\$	365,266

As of June 30, 2025, there was a balance of \$236,907 (March 31, 2025 - \$236,907) owing to related parties, which is included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest bearing and payable on demand.

12. Management of capital

The Company considers its capital to be comprised of shareholders' equity. The Board does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to carry out planned activities and pay administrative costs, the Company may attempt to raise additional amounts of capital through the issuance of Common Shares. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management since incorporation. The Company is not subject to external capital requirements.

13. Financial instruments

Set out below are categories of financial instruments and fair value measurements:

As at	June 30, 2025		March 31, 2025	
Financial assets at fair value				
Cash and cash equivalents	\$	1,093,533	\$	862,499
Financial assets at amortized cost				
Trade accounts, interest and other receivable		2,563,328		2,567,449
Financial liabilities at amortized cost				
Accounts payable and accrued liabilities	\$	(2,444,450)	\$	(2,824,315)
Lease liabilities		(17,846)		(49,766)
Holdbacks payable		(10,203)		(10,203)
	\$	1,184,362	\$	545,664

Hypercharge Networks Corp.

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13. Financial instruments (continued)

The Company considers that the carrying amount of all its financial assets and liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company's cash and cash equivalent is valued using level one inputs.

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents and accounts receivable. Credit risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. As at June 30, 2025, there were four customers with an amount outstanding exceeding 10% of the Company's trade accounts receivable that totaled 47% in aggregate (Customer A – 14%; Customer B – 11%; Customer C – 11%, Customer D – 10%). As at March 31, 2025, there were two customers with amounts outstanding that exceed 10% of the Company's trade accounts receivable that totaled 57% in aggregate (Customer A – 44%; Customer B – 13%). The Company assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered. The Company does not have sufficient cash to meet its current liabilities at June 30, 2025. In order to address the deficiency, the Company will continue to explore external financing.

Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

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14. Segmented reporting

The Company operates in a single segment, the sale of EV charging equipment, software, services and maintenance contracts. During the three months ended June 30, 2025, the Company recognized 62% of its revenue from 4 customers (Customer A - 20%, Customer B - 15%; Customer C - 15%; Customer D - 12%). During the three months ended June 30, 2024, the Company recognized 50% of its revenue from three customers (Customer A - 22%; Customer B - 18%; Customer D - 10%). The Company's right-of-use assets are located in Canada. As of June 30, 2025, the Company had property and equipment of \$125,337 in Canada, and \$8,018 in the United States. As of March 31, 2025, the Company had property and equipment of \$149,021 in Canada, and \$9,740 in the United States. All of the Company's customers are located within North America. During the three months ended June 30, 2025, \$3,390,131 of the revenue were incurred in Canada (2024 - \$874,257) and \$14,451 of the revenue were incurred in the United States (2024 - \$23,992).

15. Revenue

		Three months ended June 30, 2025		Three months ended June 30, 2024
EV charging equipment	\$	3,094,344	\$	791,366
Installation		124,903		5,938
SaaS		86,267		49,378
Other		99,068		51,567
	\$	3,404,582	\$	898,249

16. Cost of sales

		Three months ended June 30, 2025		Three months ended June 30, 2024
EV charging equipment (Note 4)	\$	2,481,964	\$	549,870
Installation		21,050		4,455
SaaS		31,606		32,168
Other revenue		28,570		75,955
	\$	2,563,190	\$	662,448

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17. Operating expenses

		Three months ended	Three months ended
		June 30, 2025	June 30, 2024
General and administrative			
Consulting and professional fees	\$	84,431	\$ 366,924
Wages and benefits		180,980	248,205
Share-based payments		90,090	210,082
Office and administration		254,795	295,575
Depreciation and amortization		48,490	74,325
	\$	658,786	\$ 1,195,111
		Three months ended	Three months ended
		June 30, 2025	June 30, 2024
Sales and marketing			
Wages and benefits	\$	364,410	\$ 297,385
Consulting and professional fees		-	90,508
Advertising and promotional		41,513	83,282
Shipping		84	3,916
	\$	406,007	\$ 475,091
		Three months ended	Three months ended
		June 30, 2025	June 30, 2024
Research and development			
Wages and benefits	\$	164,984	\$ 150,333
Consulting and professional fees		28,425	53,382
	\$	193,409	\$ 203,715

18. Subsequent events

Subsequent to June 30, 2025, the following share issuances were made related to vested share awards:

- On August 8, 2025, 23,250 Common Shares were issued upon the net settlement of 50,000 vested RSUs.
- On August 25, 2025, 17,664 Common Shares were issued upon the net settlement of 34,453 vested PSUs.