NTG CLARITY NETWORKS INC.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED
DECEMBER 31, 2024

Dated: May 23, 2025

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this Annual Information Form are forward-looking statements or forward-looking information within the meaning of applicable securities laws. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Annual Information Form should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this Annual Information Form.

In particular, this Annual Information Form contains forward-looking statements pertaining to the following:

- the Company's business objectives and strategies;
- results of operations and industry conditions;
- the Company's customer base and expectations regarding demand from customers for the services the Company provides;
- plans for the development of new products and services, including the addition of new features to existing software products;
- trends in the information technology industry that affect demand for the Company's services;
- expectations regarding the repayment of indebtedness;
- expansion and growth of the Company's business and operations; and
- the Company's 2025 financial guidance relating to anticipated revenue and adjusted EBITDA margin.

With respect to forward looking statements contained in this Annual Information Form, the Company has made assumptions regarding, among other things:

- competitive conditions in the information technology industry;
- no significant disruption of the Company's operations;
- no significant unexpected technological or commercial difficulties that adversely affect the Company's operating activities;
- continuing demand for the Company's services and the pricing of such services;
- interest rates and foreign exchange rates;
- operating and capital costs;
- the Company's ability to generate sufficient cash flow from operations or to obtain sufficient financing to satisfy its future obligations;
- the protection of intellectual property rights;
- the Company's ability to attract and retain qualified personnel; and
- stability of general domestic and global economic, market and business conditions.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and described in further detail under the heading “Risk Factors” in this Annual Information Form:

- the impact of industry conditions and general economic conditions;
- stock market volatility;
- risks inherent in the Company’s ability to generate sufficient cash flow from operations to meet its current and future obligations;
- reliance on management and key personnel;
- the availability of credit facilities and access to additional financing;
- risks relating to the effective management of the Company’s growth;
- the competitive nature of the industries in which the Company operates;
- competition for, among other things, capital, acquisitions and skilled personnel;
- incorrect assessments of the value of acquisitions;
- imprecision in estimating capital expenditures and operating expenses;
- fluctuations in interest rates and stock market volatility;
- the impact of new laws and regulatory requirements;
- risks relating to the Company’s ability to operate without infringing on the intellectual property rights of others or having third parties circumvent intellectual property rights owned or licensed by the Company;
- the results of litigation or regulatory proceedings that may be brought against the Company; and
- failure to complete and realize the anticipated benefits of acquisitions.

The foregoing list of factors is not exhaustive. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws. The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement.

NON-IFRS MEASURES

This Annual Information Form references Adjusted EBITDA, which is a non-IFRS (non-GAAP) measure and Adjusted EBITDA margin, which is a non-GAAP ratio. Adjusted EBITDA means adjusted earnings before interest, taxes, depreciation and amortization. EBITDA is equal to net income (loss) before income taxes plus finance costs plus depreciation. Adjusted EBITDA is equal to EBITDA before other discretionary expenses and expenses outside of the control of NTG. In NTG’s case these are other income, share-based payments, and expenses related to foreign exchange. Adjusted EBITDA margin is Adjusted EBITDA as a percentage of total revenue.

Adjusted EBITDA and Adjusted EBITDA margin are not recognized measures under IFRS. Management believes that in addition to net income (loss), Adjusted EBITDA and Adjusted EBITDA margin are useful supplemental measures as they provide an indication of the results generated by the Company’s primary business activities prior to consideration of how those activities are financed, amortized, or how the results are taxed and consolidated in various jurisdictions and currencies as well as the cash generated by the Company’s primary business activities without consideration of the timing of the monetization of non-cash working capital items.

Readers are cautioned that Adjusted EBITDA and Adjusted EBITDA margin should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of the Company’s performance. The Company’s method of calculating Adjusted EBITDA and

Adjusted EBITDA margin may differ from other organizations and may not be comparable to measures used by other organizations.

The non-IFRS measures referenced herein reconcile to the IFRS measures reported in the Consolidated Financial Statements as follows:

	For the three months ended		For the twelve months ended	
Adjusted EBITDA	**December 31, 2024**	**December 31, 2023**	**December 31, 2024**	**December 31, 2023**
Net Income (Margin)	$ 2,980,357 (17%)	$ 469,848 (6%)	$ 9,855,552 (18%)	$ 2,315,734 (8%)
Add back:				
(Gain) loss on foreign exchange	(574,477)	345,818	(563,595)	583,000
Depreciation	322,577	83,894	478,193	165,782
Amortization	132,183	122,033	528,733	421,218
Interest, net	191,305	128,236	435,332	378,985
Taxes	513,700	11,563	810,636	-
Other income	(222,226)	(252,308)	(436,147)	(252,308)
Share-based payment	401,281	25,750	974,266	104,250
Loss on joint venture	267,730	0	267,730	0
Loss on disposal of assets	0	9,390	0	9,390
Exchange (gain) loss arising on translation of foreign operations	310,525	(1,334,454)	(43,422)	(606,024)
Adjusted EBITDA (Margin)	**$ 4,322,955 (25%)**	**$ (390,230) (-5%)**	**$ 12,307,278 (22%)**	**$ 3,120,027 (11%)**

CURRENCY

Unless otherwise indicated, all dollar amounts set forth in this Annual Information Form are in Canadian dollars.

NTG CLARITY NETWORKS INC.

ANNUAL INFORMATION FORM
For the Year Ended December 31, 2024

CORPORATE STRUCTURE

Name, Address and Incorporation

NTG Clarity Networks Inc. ("**NTG**" or the "**Company**") was formed on May 15, 2001 through an amalgamation pursuant to the *Business Corporations Act* (Alberta). The Company's articles were amended on August 21, 2006 to permit meetings of shareholders to be held in any province of Canada and the articles were amended on March 19, 2024 to consolidate the share capital of the Company on the basis of one post-consolidation common share for each five pre-consolidation common shares.

The head office of the Company is located at 2820 Fourteenth Avenue, Suite 202, Markham, Ontario L3R 0S9 and the registered and records office of the Company is located at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta T2P 0R3.

Intercorporate Relationships

The following table lists the Company's material subsidiaries and their place of incorporation, continuance or organization, as the case may be, as at December 31, 2024. All of the following companies are 100% beneficially owned or controlled or directed, directly or indirectly, by the Company.

Name	Jurisdiction
NTG Clarity Networks U.S. Inc.	Delaware
NTG Egypt Advanced Software	Egypt

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2022

In January 2022, NTG announced that it had signed a one-year renewable Framework Agreement for outsource and offshore resources with a leading bank in the Gulf Region. NTG agreed to provide resources in most information technology (IT) disciplines, with a focus on specialized skills such as full stack developers, mobile app developers and architecture for applications, data, business intelligence and security. In addition, NTG announced that it had received orders from other clients in the telecommunications and financial sectors for products and services to be provided both on the customer premises and offshore in NTG's Egypt Offshore Centre.

In February 2022, the Company announced that it had received five purchase orders from three existing and one new customer in the Middle East. The purchase orders were for a variety of technical resources, software licenses and support services for customers in the telecom and finance sectors. NTG also received two one-year contract extensions to provide technical resources to existing telecom customers in Canada and the Middle East.

In March 2022, the Company announced ten purchase orders from new and existing customers in the Middle East. In response to the purchase orders and the general increase in demand for its services, the Company continued to strengthen and expand its Egypt Offshore Centre in order to position itself as a leading provider of offshore services across many different industry sectors.

In May 2022, the Company announced that it had entered into a Framework Agreement for outsource and offshore resources for a digital factory with a leading bank in the Gulf Region. NTG agreed to provide resources in most IT disciplines, with a focus on specialized skills such as full stack, mobile app, user interface/user experience (UI/UX), and quality assurance (QA) developers, as well as product managers.

In June 2022, the Company announced that it had received a purchase order from a customer in the Middle East for professional services work to perform cell site audits for asset verification purposes. For the physical inventory count, the NTGapps software platform was used to manage the cycle of task assignment, asset verification, acceptance and reporting. The service also included an end-to-end asset reconciliation process.

During the third quarter of 2022, the Company announced that it had received purchase orders from financial institutions and telecom operators in the Middle East to provide professional resources both onshore and offshore. The largest of the purchase orders required 42 resources to provide services at the customer site and at the Egypt Offshore Centre over a period of 12 months.

During the fourth quarter of 2022, the Company announced that it had received purchase orders for both product and service offerings, including a purchase order for the NTGapps Service Management Suite, which is used by IT teams to manage the end-to-end delivery of IT services to customers, and a purchase order to upgrade and support the NTS OSS/BSS (operations support system/business support system) product installed in a Smart city in the Middle East. In addition, the Company announced that it had entered into a memorandum of understanding with OMB (Outsource Management Business is a division of Etisalat Services Holding) to cooperate in providing IT products and services in the Middle East.

2023

During the first quarter of 2023, the Company announced purchase orders for NTG to provide onsite and offshore resources to new and existing customers in the banking and telecom sectors. The Company continued to expand its Egypt Offshore Centre to serve new customers in the financial sector, while maintaining its base of recurring business in the telecom sector.

In April 2023, the Company signed a three-year professional services supply agreement with a leading IT services company in the Gulf Region that provides services to customers in both the public and private sectors. NTG agreed to provide software development and IT resources both onsite and offshore in its Egypt Offshore Centre.

In August 2023, the Company announced the expansion of its offshore facilities with the signing of a lease for new office space in Cairo, Egypt. The new office is poised to become NTG’s flagship offshore resource campus with space to accommodate up to 120 staff members and the potential for expansion across two additional floors that could accommodate 300 more personnel. The first batch of staff stationed at the new office will be dedicated to projects stemming from the three-year services agreement announced in April 2023.

In December 2023, the Company announced that it had closed a private placement of 37,000,000 common shares at a price of $0.03 per share for gross proceeds of $1,100,000.

2024

In January 2024, the Company announced that it had received purchase orders from a new customer in the financial sector for offshore and onsite professional services. The purchase orders will result in the placement of more than 80 staff to service the new customer.

In March 2024, the Company announced new projects for the licensing and implementation of its NTGapps platform. The projects are to: (i) implement end-to-end enterprise resource planning systems; (ii) implement a payroll platform for enterprise human resources use; and (iii) implement a mobile app to support billing, collections and meter reading for a utilities operator. All of the projects are with customers based in Iraq. NTG has not historically operated in Iraq; however, NTG has a strategic partnership with an Iraqi company that brings NTG's products and services to the growing Iraqi market. This partnership is the driver behind NTG's growing presence in Iraq.

In March 2024, the Company announced a consolidation of its outstanding common shares on the basis of one (1) post-consolidation common share for every five (5) pre-consolidation common shares which reduced the number of common shares outstanding from 187,672,355 to approximately 37,534,471 common shares. The consolidation was approved by shareholders of the Company at the annual and special meeting of shareholders held on July 7, 2023.

In the second and third quarter of 2024, the Company announced that it had received new purchase orders from customers in the financial, government, IT and telecom sectors. The Company received large contracts with Middle Eastern financial institutions and with an existing customer in the Government sector in the Middle East. As a part of Saudi Arabia's Vision 2030 economic development plan, the kingdom is investing heavily in becoming the region's financial hub. Projects to enhance digital infrastructure are becoming larger and more frequent to ensure software systems are adequate for the growth that the country is experiencing.

In September 2024, the Company closed a brokered private placement of 3,720,000 units at a price of $1.40 per unit for gross proceeds of $5,208,000. Each unit consisted of one common share and one-half of one common share purchase warrant of the Company. Each whole warrant was exercisable to acquire one common share at a price of $2.00 per share for a period of 24 months.

In November and December 2024, the Company announced that it had received multiple purchase orders and contracts for new work and renewals from new and existing customers in the IT, telecom, financial and education sectors, including another three-year project to provide resources to a large financial institution.

Recent Developments

In January 2025, the Company announced that it had received multiple purchase orders and contracts from existing customers in the financial, IT, and telecom sectors.

In March, the Company announced its full-year financial guidance for 2025, including expected revenue of $75 million and expected adjusted EBITDA margin of 16% to 20%.

In April and May 2025, the Company announced that it had received multiple purchase orders and contract renewals from existing and new customers, including orders against the three-year contract announced in December 2024 requesting approximately 50% additional resources for the first year than originally expected.

NARRATIVE DESCRIPTION OF THE BUSINESS

General

NTG provides digital transformation solutions: software development outsourcing and software products. The Company or its predecessors have been providing software development, engineering, information technology and networking services and developing niche software products for telecommunications and utilities providers since 1992. By providing outsourced software development solutions and proprietary software products, NTG accelerates and simplifies the digital journey for its clients in the enterprise telecom, financial, and IT sectors.

NTG is headquartered in Markham, Ontario, Canada and it has subsidiaries/branch offices in Cairo, Egypt; Delaware, the United States; Riyadh, Saudi Arabia and Muscat, Oman. The Company is organized into two business segments: the Canadian segment, which is made up of activities conducted in Canada and from offices in Saudi Arabia and Oman; and the Egypt segment, which is the Company’s primary delivery centre for software development and professional services, offshoring services and network services to customers worldwide.

For the year ended December 31, 2024, 94% of the Company’s revenue was derived from outsourced digital transformation services, and 6% was derived from licensing, implementation, and support of proprietary software products, compared to 90% and 10% respectively for the year ended December 31, 2023.

For the year ended December 31, 2024, the Company’s revenue derived by country was: 95% from the Kingdom of Saudi Arabia (2023: 81%), 2% from Egypt (2023: 9%), 2% from Iraq (2023: 6%), and 1% from Canada (2023: 1%).

For the year ended December 31, 2024, the Company’s largest five clients contributed 70% of the Company’s revenue, compared to 54% from the top three customers for the year ended December 31, 2023.

Outsourcing and Offshoring Services

NTG provides clients with outsourced software development, IT system integration and user training services. The Company provides clients with skilled personnel that will provide services either onsite at the customer’s premises or through offshore services. Offshore services are provided by personnel at NTG’s Egypt Offshore Centre which is comprised of three offices in Cairo, Egypt. Since embracing the offshore model in 2021, NTG has been able to connect more clients with talented personnel faster, accelerating their digital transformation journeys, all the while at a lower cost to them and providing consistent margins for NTG. Under this business model, NTG is able to pay a significant portion of operating expenses in the devalued Egyptian Pound, while collecting revenue in stronger currencies such as the Saudi Riyal, which is pegged to the US Dollar.

Egypt's offshoring industry is witnessing an unprecedented momentum of growth. The country enjoys many competitive advantages that established its reputation as a favorable global offshoring destination. The diverse IT and digital services, abundance of talent, cost competitiveness, resilient business operations, and the government's support are among Egypt's unique value proposition that encourage global enterprises to launch and expand their global operations. NTG is well positioned to capitalize on this growth due to its strong presence in the Middle East market, the reputation for professionalism and transparency that it has developed with its tier-one customers over many years and its access to a large pool of experienced professionals.

NTG's customers most frequently engage the Company for outsourced digital transformation and software development services. Oftentimes the customers have large scale software development projects on their roadmaps, but need the expertise and the personnel to execute them. Contracts with customers are typically one-year terms, although several key customers have agreed to three-year engagements with NTG starting in 2024. Pricing is determined by staffing resource skill set and seniority and typically follows bands pre-defined in the contract.

NTG's customers are primarily large enterprises located in the Middle East, with a strong concentration in Saudi Arabia, which accounted for approximately 95% of the company's revenue in 2024. By industry, the majority of NTG's clients are in the financial services sector — including major banks and insurance providers — followed by system integrators and telecommunications companies. NTG also has smaller client bases in Iraq, Oman, Egypt, and North America, though Saudi Arabia remains the core growth region.

NTG's large enterprise customers in the Middle East are highly dependent on external service providers like NTG for their digital transformation efforts due to a regional shortage of technical talent and the need to rapidly scale up their digital infrastructure.

Software Products

In the course of many years of providing digital transformation services, NTG has developed various proprietary software products and implementations to address customer needs. The principal software products being offered by NTG are the following:

NTGapps Digital Toolbox

The NTGapps Digital Toolbox is a cloud-based suite of digital tools that simplifies digital transformation by offering customizable web and mobile application templates. These flexible templates allow businesses to quickly create tailored applications without extensive coding, speeding up the development process and reducing the need for large teams.

Network Inventory System

NTG's Network Inventory Management solution allows the oversight and control of network capacity, storage, and use of inventory (physical and logical), as well as non-intrusive asset tracking. It provides full visibility of networks, services, and resources for faster and more accurate fulfillment. With NTG's Network Inventory Management solution, organizations increase productivity with an automated, real-time, user-friendly, and geo-location independent approach for network inventory management and asset tracking.

Market Conditions

NTG provides digital transformation solutions primarily to large enterprises based in the Middle East. The market for digital transformation solutions in the Middle East—particularly in Saudi Arabia and the Gulf region—is experiencing rapid growth, driven by ambitious national development plans such as Saudi Vision 2030. Governments and large enterprises are actively investing in technology to modernize public services, diversify their economies away from oil, and position themselves as global hubs for finance, technology, and entertainment.

Many organizations are still in the early to mid-stages of digital transformation, requiring not only technical implementation but also support in strategy, planning, and skills development.

What differentiates this market from more mature regions like North America or Western Europe is the speed, scale, and government-driven urgency behind transformation initiatives. Projects often move quickly from planning to execution, and clients value high-touch service, cultural alignment, and on-the-ground support.

There is also a pronounced talent gap in the region, which leads to strong demand for nearshore outsourcing from locations like Egypt, where providers can offer skilled labor that aligns with language, time zone, and cultural expectations.

Corporate Strategy

The Company's digital transformation solutions consist of outsourcing/offshoring of information technology services and licensing of proprietary software products to its enterprise customers. NTG is focused on promoting and expanding both its outsourcing/offshoring services and its product offerings. The Company's product offerings provide a higher profit margin than its outsourcing/offshoring services. However, both business segments are profitable and the outsourcing/offshoring services create opportunities for NTG to introduce its software products to new potential customers.

Specialized Skill and Knowledge

NTG operates in an industry where the skills and knowledge required to serve its clients are constantly evolving and are in high demand from market competitors. This includes expertise in front end and back end software development, cloud computing, artificial intelligence, data engineering, UI/UX design, and enterprise architecture. In addition, professionals with capabilities in business analysis, project management, and quality assurance are essential to support end-to-end service delivery. NTG also requires staff to have deep industry knowledge in sectors such as finance, telecom, and technology to align solutions with client-specific needs.

To meet this demand, NTG employs a proactive and scalable talent development strategy centered in Egypt, a region known for its large pool of technical talent. The Company has built an in-house talent pipeline through partnerships with Egyptian universities and the Ministry of Education, most notably through academy training programs for students, new graduates, and ongoing upskilling for employees. By investing in education and offering career development opportunities, NTG ensures a steady supply of qualified professionals. This approach not only supports rapid team scaling, but also fosters retention by creating clear growth pathways and strong alignment with the Company's culture and long-term vision.

Sales and Marketing

NTG markets and sells its services directly through its professional staff, senior management and direct sales personnel operating out of its offices.

NTG's sales team is primarily based in Saudi Arabia, with additional support from its Canadian headquarters and Egyptian delivery center. The Saudi sales office serves as the central hub, focused on building and managing client relationships in Saudi Arabia — NTG's largest and fastest-growing market. These teams work closely with key decision-makers across financial, IT, and telecom sectors, leveraging NTG's long-standing presence and reputation in the region. Their mandate includes acquiring new customers, expanding the scope of existing engagements, and promoting long-term partnerships through high-touch, relationship-driven sales efforts.

NTG also has a team of sales personnel dedicated to its flagship software product, NTGapps, targeting new customers in the KSA. The sales teams are targeting small and medium enterprises across multiple verticals that now include the medical sectors and the food & beverage industry in addition to the telecom and financial sectors.

The sales organization is structured with customer dedicated account managers, business development representatives, and technical pre-sales support. The team is supported by recruiting and delivery staff, particularly from Egypt, who contribute to proposals, project scoping, and implementation planning.

Competitive Conditions

NTG operates in the competitive landscape of digital transformation services, software development outsourcing, and enterprise software solutions, particularly within the Middle Eastern market. Its principal competitors include global and regional IT services firms such as Tata Consultancy Services (TCS), Infosys, and Wipro. These firms offer comparable services including outsourced software development, system integration, and proprietary enterprise software products.

NTG differentiates itself through a unique combination of strategic focus, operational efficiency, and cultural alignment. Unlike many larger global players that operate from geographically and culturally distant locations, NTG's delivery model is centered in Egypt—offering a nearshore solution to Saudi clients that is not only cost-effective, but also aligned in language, time zone, and cultural context. This allows NTG to deliver faster deployments and better communication, translating to higher customer satisfaction.

Furthermore, NTG's 20+ year track record in Saudi Arabia has allowed it to build deeply entrenched relationships with key decision-makers, a competitive advantage that new entrants or global firms often lack. Finally, its in-house NTGapps platform provides a proprietary, low-code alternative to traditional development, further enhancing its value proposition through speed, integration flexibility, and higher-margin product revenue opportunities.

Research and Development

NTG's product development strategy combines innovation and the introduction of new technologies, with a commitment to the long-term support of its customers' current systems. The Company's research and development activities are focused on further development of the Company's NTGapps digital transformation platform. Research and development activities are closely tied with customer requirements, and therefore these activities are mostly funded by customer projects.

NTG relies primarily on in-house capabilities to develop its software solutions using industry standard software development tools. Such tools are typically offered under an Open Source license, and therefore NTG is not substantially dependent on restrictively licensed technology components from third party providers.

Intellectual Property

Most of NTG’s intellectual property related to its professional services business stems from the combined technological know-how of its highly skilled workforce that has served clients in a wide variety of industries.

NTG’s proprietary software products are the intellectual property of the Company; however, the company does not hold any patents or registered trademarks. The Company protects proprietary products and technology through a combination of copyright, trade secret laws and contractual provisions where applicable. The Company generally licenses the use of Company products to customers rather than transferring title to them. These licenses contain terms and conditions prohibiting the unauthorized reproduction, disclosure, reverse engineering, or transfer of Company products.

Employees

As of December 31, 2024, the Company’s workforce consists of approximately 1,000 employees, contract employees and independent contractors.

Offices

The Company’s head office is located in Markham, Ontario and it has office locations in Cairo, Egypt, Riyadh, Saudi Arabia and Muscat, Oman.

Social and Environmental Policies

NTG is committed to fostering inclusive economic growth and social development through education, employment, and community engagement. Our social initiatives include long-standing investments in technical education and workforce development, exemplified by the establishment of two NTG vocational high schools in partnership with the Egyptian Ministry of Education offering dual curricula in general and digital education. These programs aim to equip youth with market-relevant digital skills and create sustainable employment pathways.

Environmentally, while NTG operates primarily in low-emission service sectors, we recognize our responsibility to minimize our ecological footprint. We promote energy-efficient practices across our offices, reduce paper usage through digital workflows, and encourage remote work to lower travel-related emissions.

RISK FACTORS

The following is a description of the principal risk factors relating to the Company and its business.

Sustainability and Management of Recent Growth

The Company has experienced significant growth in recent years, due to a combination of its ability to generate new business, entry into new domestic and international markets, the diversification of product and service offerings, and customers' increased demand for the Company's products and services. The Company's future growth could be impeded by external factors such as slow economic growth, inflation, redundancy of certain products or services, loss of market share to competitors, limited resources to fund growth, or a variety of other factors. Moreover, the business could be harmed if the Company fails to manage its growth effectively. Its growth has and will likely continue to place a strain on resources with increased demands on all corporate services and business units. It is possible that the Company may over-hire with no guarantee of corresponding increase in revenue. As the Company continues to grow, it may be challenging to integrate many new employees into the corporate culture and processes which could limit the ability to operate effectively.

Competition within Key Markets

The markets for the Company's services are very competitive, rapidly evolving, and subject to technological changes. The principal competitive factors in the Company's markets are quality, performance, price, timeliness, customer support and reputation. The Company expects competition to increase in the future, both from existing competitors and new companies that may enter its markets. Some competitors may have greater name recognition, and significantly greater financial, technical, sales, marketing, and other resources, and there is no assurance that the Company may be able to keep pace with its competitors. Further, the Company's existing or potential customers may develop their own products or acquire companies that provide similar or competitive services. Any of these competitive threats, alone or in combination with others, could result in pricing pressure, reduced sales, loss of market share, lower margins, or have other adverse effects on the Company's business.

Reputational and Brand Risks

The Company's brand and reputation play an important role in its ability to maintain existing customers and generate new business. The Company's brand and reputation depend on the ability to continue successfully delivering products and solutions without interruptions, errors, or defects. Any impediments to the delivery of solutions may negatively impact upon the brand and reputation. Any unfavourable media coverage about the Company and the industries in which it operates could harm its reputation. Public criticism of the Company's operations could be distracting to management, costly, time consuming and harm the brand and reputation.

Investment in R&D

As the markets in which the Company operates are characterized by rapid technological advancement and continually evolving customer preferences and demands, the success of the Company largely depends on its ability to develop new, innovative technologies, to efficiently market its products, and to effectively provide services to its customers. There can be no assurances that any of the Company's investment in R&D will develop new, marketable products and services, and even if successful in developing such products or services, there can be no assurance that they will be accepted by the market or generate increased sales or improve profit margins.

Customer Attrition

The Company's results are highly dependent on its ability to retain customers and grow revenue from and expand its existing customer base. Customers with whom the Company has recurring or re-occurring commitments are under no obligation to renew their contracts at the conclusion of the current term.

There can be no assurance that the Company will be able to retain or further improve customer retention, that customers will renew their contracts on terms similarly beneficial to the Company or at all, or that customers will not switch to competitors, each of which could result in lower revenue. Customers may reduce business volume or terminate their relationships with the Company for a variety of reasons, including dissatisfaction with the quality or prices of the Company's products and services. For example, the Company may sell a software product that does not meet the customer's requirements or that fails to deliver the expected benefits, or the IT solutions or services the Company provides may be inadequate from the customer's perspective.

The Company's future growth is highly dependent on its ability to grow revenues from existing customers, including, in particular, by diversifying its service offerings. Its success in marketing IT solutions and services is affected by factors including the perceived utility and cost effectiveness of its IT solutions and services portfolio, its success in training and incentivizing its sales personnel to effectively sell such service offerings, its success in training its technical professionals who service its customers and factors beyond its control, including customers' technology budgets and financial condition.

Once the Company's solutions and methodologies are deployed within its client's infrastructure environments, such clients will be reliant on the Company's support services to resolve any issues with such solutions and methodologies. A high level of support and service is important for the successful marketing and sale of the Company's services and solutions. Failure to help its clients quickly resolve post-deployment issues and to provide effective ongoing support may adversely affect the Company's reputation with prospective clients and its ability to continue selling its solutions to existing clients.

If the Company is unable to maintain its existing customer base and grow its service provision to those clients for any of these reasons, it could have a material adverse effect on the Company's business, financial condition, and results of operations.

Expansion of Customer Base

In addition to retaining customers, the Company plans to expand the number of clients it serves and the diversity of its client base. The Company may face challenges winning new clients, including if it is unable to provide products and services that meet their needs or if its pricing or service offering is not competitive with that of other IT providers. Further, the Company may have difficulty winning new customers if a competitor is already embedded with any of such customer's IT systems.

The Company's ability to attract new clients is dependent on a number of additional factors including, but not limited to, offering high quality products and services at competitive prices, managing changes in customer demands, the strength of its competitors, the perceived utility and cost effectiveness of its IT solutions and services portfolio, its success in training and incentivizing its sales personnel to effectively sell such service offerings, its success in training its technical professionals who service its customers, and factors beyond its control, including customers' technology budgets and financial condition. Furthermore, potential clients may have competitive bid selection processes that may be lengthy and require the Company to dedicate significant resources in pursuit of a client opportunity which can result in unprofitable customer acquisition cost, lost revenue, or weaken the Company's position in future competitive bid selection processes. As these factors could negatively impact the Company's ability to expand its customer base, they could have a material adverse effect on the Company's business, financial condition, and results of operations.

Customer Demand

It is uncertain whether the market for the Company's products, IT solutions and services will sustain high levels of customer demand and market acceptance. The Company's success will depend to a substantial extent on the widespread adoption of IT solutions and services in general, and the willingness of customers to purchase or subscribe for IT solutions and services, to increase the frequency and extent of their use of the products the Company sells and IT solutions and services the Company provides, as well as the perceived value of IT solutions and services to customers. Many companies have invested substantial personnel and financial resources to integrate IT solutions and services, but it is difficult to predict future customer adoption rates and demand for applications and products the Company sells, the future growth rate and size of the IT solutions and services market, or the entry of competitive service providers. The expansion of the IT solutions and services market depends on a number of factors, including the cost, performance, and perceived value associated with IT solutions and services.

Additionally, the growth of the IT market depends on investment in and growth of industries in the jurisdictions in which the Company operates, including governmental support. Any change to government investment plans, such as if it were decreased or not renewed, could impact demand for the Company's services and, as a result its performance or strategy in the applicable region. Significant investment in technological capabilities is expected to continue in the coming years, which would support the Company's existing and potential customers in their own growth and demand for IT solutions and services of the types provided by the Company. As a result, if the investment or industry support does not reach expected levels, it could cause the market for the Company's products, solutions or services to grow more slowly than expected or decline, and therefore have a negative impact on the Company's financial condition and results of operations.

If the Company or other IT solutions and services providers experience performance issues, security incidents, disruptions in delivery or other problems, the market for IT solutions and services as a whole, including products and services the Company offers, may be negatively affected.

Rapid Technological Change

The Company's success relies in part on its ability to develop new technologies and products that appeal to its customers. The IT solutions industry is characterized by rapid technological change, evolving industry standards, changing customer preferences and constant new product and service introductions. The Company's future success depends on its ability to continue to develop and implement services and solutions that are attractive to, and cost-efficient for, its customers. This requires it to anticipate and respond to rapid and continuing changes in technology, industry developments and service and solution offerings by new entrants in order to serve the evolving needs of its customers. New technology may emerge that could reduce, and over time replace, the need for some of the services and solutions that the Company currently provides. In addition, as new technologies and technological trends become available, customers may reduce spending on legacy technologies in anticipation of implementing these new technologies. The Company's growth strategy focuses on responding to these types of developments by continuing to develop its service and solution offerings through innovation and by utilizing new technology to meet customer needs. If the Company does not adapt, expand and develop its services and solutions in response to changes in technology or customer demand, its ability to develop and maintain a competitive advantage and continue to grow could be negatively affected, which could have an adverse effect on its results of operations.

Developments in the industries in which the Company serves could also shift demand to new services and solutions. If, as a result, the Company's customers demand new services and solutions, the Company may be less competitive in these new areas or need to make significant investments to meet that demand. In addition, the Company operates in an environment in which there currently are, and will continue to be, new entrants that may offer new technologies, services, and solutions. New or existing competitors may develop better technology or may have greater resources than the Company, increasing their competitive advantage. New services, solutions, or technologies offered by competitors or new entrants may make the Company's offerings less attractive or less competitive, when compared to other alternatives, which may adversely affect its business.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

The Company considers acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving the benefits of acquisitions depends on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner and the Company's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Company. The integration of acquired businesses and assets may require substantial management effort, time and resources diverting management's focus from other strategic opportunities and operational matters. Management continually assesses the value and contribution of services provided by third parties and the resources required to provide such services.

Dependence on Skilled Professionals

The Company's success depends upon its ability to attract and retain highly qualified IT professionals. In particular, it must attract, train and retain appropriate numbers of talented people with diverse skills in order to serve customer needs and grow its business. If it is unable to do so, its ability to develop new business and effectively lead its current and future projects could be jeopardized.

The ability to maintain and renew existing engagements and obtain new business will also depend, in large part, on the Company's ability to attract, train and retain technical personnel with the skills that keep pace with continuing changes in information technology, evolving industry standards and changing customer preferences. The Company's profitability also depends on its ability to effectively utilize personnel with the right mix of skills and experience to support its projects. The processes and costs associated with recruiting, training, and retaining employees place significant demands on the Company's resources. In addition, the demands of changing technology, evolving standards, and changing customer preferences may require the Company to redeploy and retrain its IT professionals. If the Company needs to reduce its headcount, it will need to comply with labour regulations in relevant jurisdictions, which can be time consuming and/or entail additional costs.

The Company believes there is a shortage of, and significant competition for, professionals with the advanced technological skills necessary to provide the services and solutions it offers, such that finding employees with the right skill set for its business is challenging. The Company's profitability and ability to compete for and manage customer engagements could be adversely affected if it cannot manage employee hiring and turnover to achieve a stable and efficient workforce structure.

Senior Management Personnel and Succession Planning

The Company's success depends on the engagement and contributions of senior management personnel. Any changes to the management team, including the hiring or departing of executives, could be disruptive to the business. The failure to properly manage succession plans, develop leadership talent, or the loss of key employees could negatively impact the Company's performance. The Company endeavors to maintain succession plans for key positions to ensure business continuity in the event of the departure of any key employees. The Company may face challenges to attract suitable candidates for senior positions, and the failure to adequately replace senior management may have a material adverse effect on the Company's business, financial condition, and operations.

Macroeconomic Conditions

The Company is sensitive to the spending patterns of its clients, which are subject to economic and business conditions.

It is difficult to estimate the level of growth for the global economy as a whole, particularly while geopolitical relationships and events, including the ongoing conflict between Russia and Ukraine and conflict in Gaza, present potential risks that are difficult to assess or forecast. While demand for the Company's products and services continues to be strong, in recent periods factors such as supply chain disruption, high levels of inflation and increasing interest rates in a number of countries in which the Company operates have impacted the Company's customers and their end-markets, as macroeconomic volatility and changes in consumer, commercial and governmental activity continue to impact markets. These factors make it particularly difficult to estimate growth in various parts of the economy, including the markets in which the Company and its customers participate, and could result in an increase in expenses and financing cost which would negatively impact the Company.

In particular, as all components of the Company's budgeting and forecasting are dependent upon estimates of growth in the markets that the Company serves, economic uncertainties make it difficult to estimate future income and expenditures. Downturns in the economy, market uncertainties and changes in customer spending patterns, including as a result of periodic fluctuations or unprecedented events such as the COVID-19 pandemic, the Russian invasion of Ukraine and the conflict in Gaza, may cause clients to delay, reduce or cancel orders for the Company's products, which could have a material adverse impact on the Company's business, financial condition and results of operations including as a result of delayed payments to suppliers which may, in turn, adversely affect the Company's relationships with the suppliers impacting the availability of further product and credit.

In addition to its impact on customer relationships and customer end-market performance, the macroeconomic and market volatility observed in recent periods can also create risks for the Company's internal operating activities. This includes operational factors such as costs of employee wages and benefits, IT service supplies and resources, overhead costs (including energy and resource costs), among other expenses, as well as shortages and delays in the supply chain. If the Company is not able to manage increases in these expenses, or if shortages limit the Company's ability to procure certain resources, it could negatively impact the Company's profitability.

In addition, worldwide economic conditions and market volatility as a result of political leadership in certain countries and other disruptions to global and regional economies and markets, including continuing increases in inflation and interest rates, the possibility of recession, or financial market instability, may impact future business activities. External factors, such as natural disasters, diseases, acts of terrorism and the outbreak of war, hostilities and armed conflicts between countries have created uncertainties that may affect the global economy and markets generally and could have a material adverse effect on the Company's business, financial condition, and results of operations. More generally, these geopolitical, social and economic conditions could result in increased volatility in financial markets and in the economy, as well as other adverse impacts.

Secured Indebtedness

The Company has outstanding secured loans in the amount of $5,970,635 as of December 31, 2024. The loans are secured by a first charge on all the assets of the Company. Any failure of the Company to repay or refinance the loans at their maturity date on acceptable terms or to comply with applicable covenants under such loans could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow. There is no assurance that the Company will be able to refinance any or all of the secured loans at its maturity date on acceptable terms, or on any basis.

Access to Capital

The Company may need to raise additional funds to pursue its growth strategy, enhance its products and services, respond to competitive pressures, or make acquisitions or other investments. There can be no guarantee that such additional capital will be available when needed or on favourable terms. The Company's access to capital and its cost of capital will be subject to several factors, including general market conditions, the Company's current and expected future earnings, the market's perception of the Company, the Company's cash flow, and the market price of the Common Shares. If the Company is unable to secure sources of capital, it may not be able to pursue opportunities, engage in R&D, compete effectively with its competitors or weather an economic downturn.

Collection of Accounts Receivable

The Company's business depends on its ability to successfully and on a timely basis obtain payment from its customers of the amounts they owe to the Company for work performed. Payment terms vary among customers and markets. The nature of the Company's contracts sometimes requires the Company to commit resources to a project prior to receiving advances, progress or other payments from customers in amounts sufficient to cover expenditures on the project as they are incurred. Delays in customer payments may subject the Company to working capital shortages. If a customer defaults in making payments on a project to which the Company has devoted significant resources or if a project in which it has invested significant resources is delayed, cancelled, or does not proceed to completion without the Company being reimbursed accordingly, it could have a material adverse effect on the Company's revenue and profitability.

The Company generally evaluates the financial condition of its new customers and usually bills and seeks to collect payment on relatively short cycles. The Company might not accurately assess the creditworthiness of its customers or its creditworthiness assessment may become outdated. Macroeconomic conditions, such as rising inflation and interest rates, could result in financial difficulties for the Company's customers, including bankruptcy and insolvency. This could cause customers to delay payments, request modifications to their payment arrangements that could increase the Company's receivables balance, or cause customers to default on their payment obligations. The Company has established provisions for losses of receivables and unbilled services. Actual losses on customer receivables could differ from those that the Company currently anticipates, and, as a result, the Company might need to adjust its provisions. Timely collection of customer receivables also depends on the Company's ability to complete its contractual commitments and bill and collect its contracted revenue. If the Company is unable to meet contractual requirements, it might experience delays in collection of and/or be unable to collect its customer balances, and if this occurs, it could have a material adverse effect on the Company's business, financial condition, and results of operations.

Foreign Currency Risk

NTG is subject to risks of doing business internationally, including fluctuations in currency exchange rates, increases in duty rates, difficulties in obtaining export licenses, difficulties in the enforcement of intellectual property rights and political uncertainties. The Company's most significant international operations are in the Egypt, Saudi Arabia and Oman. The Company does not currently use derivative instruments to mitigate its exposure to those risks.

Revenues and expenses generated in foreign currencies are translated at exchange rates during the month in which the transaction occurs. The Company cannot predict the effect of foreign exchange losses in the future; however, if significant foreign exchange losses are experienced, they could have a material adverse effect on the Company's business, results of operations, and financial condition. In addition, fluctuations in exchange rates could affect the pricing of the Company's products and services and negatively influence customer demand.

Foreign Operations

Because the Company's long-term success depends, in part, on its ability to continue to expand the sales of its solutions to customers located outside of North America, the business is susceptible to risks associated with international operations.

Conducting and launching operations on an international scale requires close coordination of activities across multiple jurisdictions and time zones and consumes significant management resources. Conducting international operations subjects the Company to risks including:

- unexpected changes in foreign regulatory requirements;
- longer accounts receivable payment cycles and difficulties in collecting accounts receivable;
- difficulties in managing and staffing international operations, including differences in labour laws;

- potentially adverse tax consequences and complexities;
- restrictions on the repatriation of earnings;
- localization of solutions, including translation into foreign languages and associated expenses;
- the burdens of complying with multiple, conflicting foreign laws and different legal standards and regulatory requirements;
- requirements for regional hosting of customer solutions and data, which may require additional capital;
- increased financial accounting and reporting burdens and complexities;
- political, social and economic instability abroad, terrorist attacks and security concerns in general;
- difficulties enforcing agreements through foreign legal systems;
- trade and political barriers, as well as compliance with domestic economic sanctions and export control requirements;
- compliance with international trade laws, tariffs and trade agreements; and
- reduced or varied protection for intellectual property rights in some countries.

The occurrence of any one of these risks could negatively affect international business and, consequently, the results of operations generally. Additionally, operating in international markets also requires significant management attention and financial resources. The Company cannot be certain that the investment and additional resources required in establishing, acquiring, or integrating operations in other countries will produce desired levels of revenue or profitability.

Intellectual Property Infringement and Protection

The Company competes in industries that are subject to many intellectual property rights including patents. Third parties have in the past, and may in the future, assert that the Company’s technologies infringe their intellectual property rights. The risk of such claims increases as the Company continues to innovate, offer new solutions and enter new markets. Moreover, the Company’s future growth may be constrained by the intellectual property rights of others. As the Company grows, the risk of claims also increases as third parties may attempt to extract settlements. Even if the Company prevails, any claims brought against the Company may be distracting for management, costly and time-consuming.

The Company protects its proprietary rights in accordance with industry practice or as it determines to be appropriate. There can be no assurance that the Company’s actions are adequate to prevent the imitation of its process and products by others or to prevent others from claiming violations of their intellectual property by the Company. Further, the Company’s intellectual property rights may not have the value that it believes they have. If the Company fails to protect its intellectual property rights, the value of such rights could be diminished, and its sales and profitability adversely affected. The Company may also incur significant costs if required to defend its intellectual property rights.

The inability to protect its intellectual property, may weaken the Company’s competitive position and may materially and adversely affect its business, operations, or financial condition.

In addition, the laws of certain countries do not protect proprietary rights to the same extend as the laws of Canada, and therefore there can be no assurance that the Company will be able to adequately protect its intellectual property against unauthorized third-party use. Any such unauthorized use may adversely affect the Company's competitive position.

Insurance Sufficiency and Liability Risk Mitigation

Because customers use the Company's services in some cases for critical business processes, errors in execution could cause customers to seek compensation or cause harm to reputation. Although customer contracts limit liability for errors, the Company could become subject to litigation for actual or alleged losses. The Company carries various forms of insurance to protect itself from a variety of insurable risks. The insurers under the existing liability insurance policy could deny coverage of a future claim that results from an error by the Company, or the existing liability insurance might not be adequate to cover all of the damages and other costs of such a claim. Moreover, the Company cannot assure that its current liability insurance coverage will continue to be available on acceptable terms or at all. The successful assertion against the Company of one or more large claims that exceeds insurance coverage, or the occurrence of changes in the liability insurance policy, including an increase in premiums or imposition of large deductible or co-insurance requirements, could have an adverse effect on the business, financial condition, and results of operations.

Warranty and Product Liability Claims

The Company is exposed to potential product liability risks. Although the Company maintains product liability insurance and takes precautions to avoid product liability claims, there can be no assurance that it will be able to avoid significant product liability exposure or that its insurance will provide adequate protection against potential claims. The sale and support of its products may entail the risk of those claims, which are likely to be substantial considering the use of its products in critical applications. Accordingly, any such claim could have a material adverse effect upon the business, results of operations and financial condition. In addition, defending this kind of claim, regardless of its merits, or otherwise satisfying affected customers, could entail substantial expense and require the devotion of significant time and attention by key management personnel.

If the Company's products fail to perform as warranted and the Company is unable to resolve product quality or performance issues in a timely manner, the Company may lose sales or be forced to pay damages. In addition, because the Company's products are sold and marketed in different countries, the products must function in and meet the requirements of many different environments and be compatible with various systems and products. Any failure of the Company's products to meet these requirements could have a negative impact on sales and a material adverse effect on the Company's business, results of operations and financial condition. Further, there is a risk that customers may uncover latent defects in the Company's products that were not apparent at the time the product was sold. This type of defect may be discovered before or after the warranty period has expired. Performance failure due to a defect may cause loss of customers, damage to the Company's reputation for delivering high-quality products, delay in or loss of market acceptance, additional warranty expense or costs associated with product recall.

As a result of their complexity, software products may contain undetected errors or failures when entering the market. Despite conducting testing and quality assurance, defects and errors may be found in new software products after delivery and implementation or the offering of a network service using these software products. In these circumstances, the Company may be unable to successfully correct the errors in a timely manner or at all. The occurrence of errors and failures in the Company's software products could result in negative publicity and a loss of, or delay in, market acceptance of those software products. Such publicity could reduce revenue from new licenses and lead to increased customer attrition. Alleviating these errors and failures could require significant expenditure of capital and other resources by the Company. The consequences of these errors and failures could have a material adverse effect on the business, results of operations and financial condition. Because many of the Company's customers use its software products for business-critical applications, any errors, defects, or other performance problems could result in financial or other damage to customers. The Company's customers or other third parties could seek to recover damages in the event of actual or alleged failures of software solutions.

The Company also provides warranties on some of its products, requiring it to repair or replace defective products at its own cost. If the Company experiences a greater number of warranty claims than budgeted in the normal course, its gross margins could be negatively affected. In addition, product recalls, withdrawals or replacements of the Company's products may harm its reputation and acceptance of its products by its customers, which may adversely affect the business, results of operations or financial condition.

If any of the Company's products prove defective, the Company may be required to redesign or recall such products. A redesign or recall may cause the Company to incur significant expenses, disrupt sales and adversely affect its reputation and products, any one or a combination of which could have a material adverse effect on the Company's business, financial condition, and results of operations.

Litigation

From time to time, the Company may become subject to claims, lawsuits (including class actions and individual lawsuits), government investigations and other proceedings involving intellectual property, data protection, labour and employment, competition, securities, tax, marketing, commercial disputes, and other matters. They may include disputes with technology partners, customers, subcontractors, suppliers, employees, or investors. The Company may also become subject to proceedings by governmental authorities in connection with its compliance with laws and regulatory requirements, including in the areas of labour, tax, and data protection.

The outcome of pending or potential future legal, arbitration or regulatory proceedings is, as a general matter, difficult to predict. An unfavourable outcome on any litigation or arbitration matter could require the Company to pay substantial damages, prevent it from selling certain of its solutions, or, in connection with any intellectual property infringement claims, require the Company to pay ongoing royalty payments. The Company's provisions for losses related to pending legal proceedings in the future may not be adequate to cover its ultimate costs in relation to such proceedings and may need to be adjusted as a result of subsequent developments in, or the final outcome of, such legal proceedings. Whether or not the Company will ultimately prevail in future litigation matters, litigation and arbitration are costly and can divert management's attention from the Company's business. In addition, the Company may decide to settle a litigation or arbitration matter, which could cause the Company to incur significant costs. A settlement or an unfavourable outcome on any litigation or arbitration matter could have a material adverse effect on the Company's business, financial condition, and results of operations.

Conflicts of Interest

The directors of the Company may be, or may become, engaged in different industries, both on their own behalf and on behalf of other companies, and situations may arise where the directors and officers may be in direct competition with the Company. Conflicts of interest, if any, which arise, will be subject to and governed by the procedures prescribed by the Board. Notwithstanding these procedures, such conflicts of interest may be difficult to manage, and could have a negative impact on the Company's business.

Employee Misconduct

The Company may be unable to prevent its employees, or the employees of its partners, subcontractors or customers, from engaging in misconduct, fraud or other improper activities that could adversely affect the Company's business and reputation. Misconduct may include the failure to comply with the Company's technology partners', distributors' or customers' policies and procedures, as well as with applicable legislation and regulation. Particularly, the increasing size and scope of the Company's operations raise the possibility that a member of its personnel will engage in fraudulent activity, breach its contractual obligations, or otherwise expose the Company to unacceptable business risks. The precautions the Company takes to prevent and detect such activity may not be effective, and it may be exposed to risks related to, and losses caused by, actions of its employees and the employees of others. As a result of employee misconduct, the Company may face fines and penalties, reputational damage and loss of technology partner or authorized distributor status or customer relationships.

If employee misconduct resulted in the Company's customers cancelling or failing to renew their contracts, it may experience harm to its reputation and decreases in revenue, which may have a material adverse effect on the Company's business, financial condition, and results of operations.

Cybersecurity Risks

NTG is in the IT services business, and certain of its products and services, store, retrieve, manipulate and manage customers' information and data, external data, as well as the Company's own data. At times, the Company encounters attempts by third parties (which may include nation states and individuals sponsored by them) to identify and exploit product and service vulnerabilities, penetrate or bypass security measures, and gain unauthorized access to the Company's or its customers', partners' and suppliers' software, hardware and cloud offerings, networks and systems, any of which could lead to the compromise of personal information or the confidential information or data of the Company or its customers. Cyber attackers and other threat actors may be able to develop and deploy IT related viruses, worms, and other malicious software programs that could attack the Company's networks, systems, products and services, exploit potential security vulnerabilities of the Company's networks, systems, products and services, create system disruptions and cause shutdowns or denials of service. This is also true for third-party data, products or services incorporated into NTG's products and services or used by NTG. Data may also be accessed or modified improperly as a result of customer, partner, employee or supplier error or malfeasance and third parties may attempt to fraudulently induce customers, partners, employees or suppliers into disclosing sensitive information such as user names, passwords or other information in order to gain access to the Company's data, its customers', suppliers' or partners' data or the IT systems of the Company, its customers, suppliers or partners.

Privacy and data protection compliance breaches

The Company is subject to data protection laws, privacy requirements and other regulatory restrictions in the various jurisdictions in which it operates. In the normal course of the Company's business, the Company may come into possession of sensitive personal data, or act as processor of or otherwise handle such personal data. This information needs to be handled by the Company in compliance with such laws and regulations as such laws and regulations govern the Company's ability to collect, use, process and transfer personal information relating to its customers and their clients, as well as its employees and others. Therefore, the Company is exposed to the risk that such data could be wrongfully appropriated, lost or disclosed, damaged and/or processed in breach of applicable privacy and data protection laws and regulation.

The Company's failure to keep apprised of, and comply with, privacy, data use and security laws, standards, and regulations, including, without limitation, unauthorized disclosure of, or access to, data, could result in the limitation, suspension or termination of services and contracts with customers or the imposition of administrative, civil, or criminal penalties, which could have a material adverse effect on the Company's business, financial condition and/or results of operations. Further, any data breach could expose the Company to significant liability for material and non-material damages and the Company's reputation may be significantly harmed as a result.

In addition, the Company's international presence exposes it to data protection laws, privacy requirements and other regulatory restrictions in a multitude of jurisdictions and full compliance with such laws, requirements and restrictions is costly and affects the profitability of the Company. Keeping apprised of new requirements on a continuous basis and ensuring legal and operational compliance throughout the Company may negatively impact the ability of the Company to generate profits and could have a material adverse effect on its business, financial condition, and results of operations.

Changes in laws, rules, and regulations

Changes to any of the laws, rules, regulations, or policies to which the Company or its customers or suppliers is subject could have a significant impact on the Company's business. There can be no assurance that the Company will be able to comply with any future laws, rules, regulations, and policies. Failure by the Company to comply with applicable laws, rules, regulations, and policies may subject it to civil or regulatory proceedings, including fines or injunctions, which may have a material adverse effect on the Company's business, financial condition, liquidity, and results of operations. In addition, compliance with any future laws, rules, regulations, and policies could negatively impact the Company's profitability and have a material adverse effect on its business, financial condition, liquidity, and results of operations.

Unforeseen Tax Liabilities

The Company may be subject to income taxes in various foreign jurisdictions. Significant judgment is required in determining the Company's worldwide provision for income taxes and, in the ordinary course of its business, there are many transactions and calculations where the ultimate tax determination may be uncertain.

The Company will be required to estimate what its taxes will be in the future. Although management of the Company believes its current tax estimates are reasonable, the estimation process and applicable tax laws are inherently uncertain, and its estimates are not binding on tax authorities. The Company's effective tax rate could be adversely affected by changes in its business, including but not limited to the mix of earnings in countries with differing statutory tax rates, changes in the elections it makes and changes in applicable tax laws. The Company's tax determinations will be subject to audit by tax authorities, which audits, if any, could adversely affect the Company's income tax provision. Should the Company's ultimate tax liability exceed its estimates, its income tax provision and net income may be materially affected.

Natural Disasters, Terrorist Acts, Civil Unrest, Pandemics and Other Disruptions

Upon the occurrence of a natural disaster, or upon an incident of war, riot or civil unrest, the impacted country, province, or region may not efficiently and quickly recover from such event, which could have a materially adverse effect on NTG, its customers, and/or either of their businesses or operations. Terrorist attacks, public health crises including epidemics, pandemics or outbreaks of new infectious disease or viruses, civil unrest and related events can result in volatility and disruption to local and global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to NTG, its customers, and/or either of their businesses or operations.

Management Estimates and Assumptions

In preparing consolidated financial statements estimates and assumptions are used by management in determining the reported amounts of assets and liabilities, revenues and expenses recognized during the periods presented and disclosures of contingent assets and liabilities known to exist as of the date of the financial statements. These estimates and assumptions must be made because certain information that is used in the preparation of such financial statements is dependent on future events, cannot be calculated with a high degree of precision from data available, or is not capable of being readily calculated based on generally accepted methodologies.

In some cases, these estimates are particularly difficult to determine and the Company must exercise significant judgment. Estimates may be used in management's assessment of items such as depreciation, fair values, income taxes, stock-based compensation and other matters. Actual results for all estimates could differ materially from the estimates and assumptions used by the Company, which could have a material adverse effect on the financial condition, results of operations and cash flows of the Company.

The market price of the Company's Common Shares may fluctuate widely.

The market price of the Company's Common Shares could fluctuate substantially due to:

- future announcements concerning the Company or its competitors;
- quarterly fluctuations in operating results;
- announcements of acquisitions or technological innovations;
- changes in earnings estimates or recommendations by analysts; or
- current market volatility.

In addition, the share prices of many business and technology services companies fluctuate widely for reasons which may be unrelated to operating results. Fluctuation in the market price of the Common Shares may impact the Company’s ability to finance its operations and retain personnel.

Dilution

The Board may issue an unlimited number of common shares without any vote or action by the shareholders, subject to the rules of any stock exchange on which the Company's securities may be listed from time to time. The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities. If the Company issues any additional equity, the percentage ownership of existing shareholders will be reduced and diluted and the price of the common shares could decline.

Forward-Looking Information May Prove Inaccurate

Shareholders and prospective investors are cautioned not to place undue reliance on the Company's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this AIF under the heading “*Forward-Looking Statements*”

DIVIDENDS

The Company has not paid any dividends to date and the Company has not yet established a dividend policy. The Company intends to retain any earnings to finance growth and does not expect to pay dividends on the common shares in the near future. The board of directors will review this policy from time to time having regard for the Company’s financial condition, financing requirements and other factors considered relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Company is authorized to issue an unlimited number of common shares (“**Common Shares**”) and an unlimited number of First Preferred Shares, issuable in series, and Second Preferred Shares, issuable in series. As at December 31, 2024, 42,155,658 Common Shares and no First Preferred Shares or Second Preferred Shares of the Company were issued and outstanding.

The holders of Common Shares are entitled to notice of, to attend and to vote at any meeting of the shareholders of the Company and they are entitled to receive dividends as and when declared by the board of directors of the Company and to share ratably in respect of any return of capital upon the liquidation, dissolution or winding up of the Company.

The First Preferred Shares are issuable from time to time in one or more series and will have such designation, rights, privileges, restrictions and conditions as the board of directors of the Company may determine. The First Preferred Shares of each series shall rank on a parity with the First Preferred Shares of every other series and shall be entitled to a preference over the Second Preferred Shares and the Common Shares with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company.

The Second Preferred Shares are issuable from time to time in one or more series and will have such designation, rights, privileges, restrictions and conditions as the board of directors of the

Company may determine. The Second Preferred Shares of each series shall rank on a parity with the Second Preferred Shares of every other series and shall be entitled to a preference over the Common Shares with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company.

MARKET FOR SECURITIES

The Company's Common Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "NCI". The following table sets out the trading ranges (based on daily closing prices) and volumes of the Common Shares during the year ended December 31, 2024:

		Price ($)		
		High	Low	Volume
2024	January	0.225	0.20	3,700,777
	February	0.25	0.175	2,214,490
	March	0.405	0.225	5,799,613
	April	0.57	0.39	2,226,409
	May	0.69	0.40	2,535,984
	June	0.93	0.75	2,020,268
	July	1.30	0.77	2,547,384
	August	1.94	1.12	3,935,092
	September	1.91	1.28	2,939,022
	October	1.36	1.04	2,941,647
	November	1.30	1.07	2,242,507
	December	1.79	1.30	2,292,399

Note:
(1) Prices and volumes give effect to the five to one share consolidation that was completed on March 19, 2024.

PRIOR SALES

The Company issued the following securities that are not listed or quoted on a marketplace during the financial year ended December 31, 2024.

Date	Type of Security	Issue Price or Exercise Price	Number of Securities	Type of Issuance
April 16, 2024	Stock Option	$0.50	100,000	Option grant[(1)]
May 8, 2024	Stock Option	$0.32	143,000	Option grant[(1)]
May 25, 2024	Stock Option	$0.46	30,000	Option grant[(1)]
July 19, 2024	Stock Option	$0.66	485,000	Option grant[(1)]
July 24, 2024	Stock Option	$1.00	60,000	Option grant[(1)]
July 24, 2024	Stock Option	$1.20	60,000	Option grant[(1)]
July 24, 2024	Stock Option	$0.90	400,000	Option grant[(1)]
Sept. 27, 2024	Units	$1.40	3,720,000	Private Placement[(2)]
Sept. 27, 2024	Broker warrants	$1.40	223,200	Private Placement[(3)]
Sept. 30, 2024	Stock Option	$1.40	40,000	Option grant[(1)]
Sept. 30, 2024	Stock Option	$1.75	20,000	Option grant[(1)]
Sept. 30, 2024	Stock Option	$2.00	40,000	Option grant[(1)]
Sept. 30, 2024	Stock Option	$2.25	20,000	Option grant[(1)]
Nov. 25, 2024	Stock Option	$0.86	100,000	Option grant[(1)]

Notes:
(1) Options issued pursuant to the Company's stock option plan.
(2) Units issued pursuant to a brokered private placement. Each units consisted of one common share and one-half common share purchase warrant exercisable at a price of $2.00 per share.
(3) Broker warrants issued in connection with the private placement of units. Each broker warrant entitled the holder to purchase one common share at a price of $1.40 per common share.

DIRECTORS AND OFFICERS

The names, municipalities of residence, positions with the Company and the principal occupations of the directors and officers of the Company are set out below.

Name and Municipality of Residence	Position Presently Held	Principal Occupation for the Past 5 Years
Ashraf Zaghloul[(2)(3)] Thornhill, Ontario Canada	Chairman, Chief Executive Officer and Director since 2001	Chairman and Chief Executive Officer of the Company.
Kristine Lewis[(1)(2)(3)] Thornhill, Ontario Canada	President, Chief Financial Officer and Director since 2004	President and Chief Financial Officer of the Company.
Mohammed Saleem Siddiqi [(1)(2)(4)] Thornhill, Ontario Canada	Director since 2017	Independent management consultant and president and founder of Siddiqi & Company Inc., Registered Professional Accountants and Certified Management Accountants.
Syed Zeeshan Hasnain [(1)(2)(4)] Thornhill, Ontario Canada	Director since 2020	Independent management consultant.

Notes:
(1) Member of the audit committee.
(2) Member of the corporate governance committee.
(3) Member of the options committee.
(4) Member of the compensation committee.

As at the date hereof, the directors and officers of the Company, as a group, beneficially owned or controlled or directed, directly or indirectly, 17,235,896 Common Shares or approximately 41% of the issued and outstanding Common Shares of the Company.

Cease Trade Orders

To the knowledge of the Company, no director or officer of the Company is, or within the ten years prior to the date hereof, has been, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity: (i) was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in the capacity of a director, chief executive officer or chief financial officer.

Bankruptcies

Other than as set forth below, to the knowledge of the Company, no director or officer of the Company or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Company, is, or within the ten years prior to the date hereof, has been, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Ashraf Zaghloul and Kristine Lewis were directors and officers of the Company on October 9, 2019, when the Ontario Superior Court of Justice granted an interim receivership order in connection with the default by the Company under its credit facilities with a Canadian chartered bank. The Company continued negotiations with the chartered bank until the debt was assigned to 2729252 Ontario Inc., a company controlled by Ms. Lewis and Mr. Zaghloul. The interim receivership order expired on December 8, 2019 and all enforcement proceedings in respect of the indebtedness were discontinued.

To the knowledge of the Company, no director or officer of the Company or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Company has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person’s assets.

Penalties or Sanctions

To the knowledge of the Company, no director or officer of the Company or a shareholder holding a sufficient number of Common Shares to affect materially the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities authority, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

Certain directors and officers of the Company also serve as directors and officers of other corporations. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and are required to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at any meeting of the board of directors of the Company, any director in a conflict must disclose his or her interest and abstain from voting on such a matter in accordance with the provisions of the *Business Corporations Act* (Alberta).

LEGAL PROCEEDINGS

The Company is not or was not a party to, nor are or were any of the Company's assets subject to, any material legal proceedings since the beginning of the most recently completed financial year, nor to the Company's knowledge are any such proceedings contemplated.

During the most recently completed financial year, there have not been any penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors and officers of the Company, any shareholder who beneficially owns more than 10% of the Common Shares of the Company, or any known associate or affiliate of these persons in any transactions within the three most recently completed financial years or during the current financial year that has materially affected or would materially affect the Company.

On December 15, 2023, the Company completed a private placement of 37,000,000 Common Shares at a price of $0.03 per share for gross proceeds of $1,110,000. Ashraf Zaghloul, Chief Executive Officer and a director of the Company and Kristine Lewis, President and a director of the Company each subscribed for 4,500,000 Common Shares pursuant to the private placement. In addition, 2729252 Ontario Inc., a company controlled by Mr. Zaghloul (30%) and Ms. Lewis (30%), subscribed for 28,000,000 Common Shares pursuant to the private placement.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Company's Common Shares is Odyssey Trust Company at its offices in Toronto, Ontario.

MATERIAL CONTRACTS

The Company has not entered into any material contracts during the financial year ended December 31, 2024 or before that financial year that are still in effect other than contracts entered into in the ordinary course of business.

INTEREST OF EXPERTS

NVS Professional Corporation, Chartered Professional Accountants, are the auditors of the Company and such firm has prepared an opinion with respect to the consolidated financial statements as at and for the fiscal year ended December 31, 2024. NVS Professional Corporation is independent of the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information regarding the Company, including information with respect to directors' and officers' remuneration and indebtedness, principal shareholders, options to purchase securities, and interests of the insiders in material transactions, is contained in the Company's information circular for its most recent annual meeting of shareholders, and additional financial information is provided in the Company's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2024. **Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca.**