

NETRAMARK HOLDINGS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2025 and 2024
(In Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and reviewed by the Audit Committee and Board of Directors of the Company. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

NetraMark Holdings Inc.**Condensed Interim Consolidated Statements of Financial Position**

(Unaudited - Expressed in Canadian dollars)

As at March 31, 2025

	Note	March 31, 2025	September 30, 2024
		\$	\$
Assets			
Current Assets			
Cash		599,992	59,753
Accounts Receivable	4	-	81,049
Prepaid expenses		24,458	11,232
Other receivables	4	59,068	50,389
Short term investments	5	1,505,149	5,149
Total current assets		2,188,667	207,572
Total assets		2,188,667	207,572
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		549,254	330,939
Deferred revenue	6	60,853	75,190
Total current liabilities		610,107	406,129
Total liabilities		610,107	406,129
Shareholders' equity (deficiency)			
Share capital	7	35,542,978	30,500,534
Contributed surplus	7	4,684,170	5,626,261
Accumulated deficit		(38,648,588)	(36,325,352)
Total shareholders' equity (deficiency)		1,578,560	(198,557)
Total liabilities and shareholders' equity (deficiency)		2,188,667	207,572

Nature of operations and going concern (*note 1*)Subsequent events (*note 13*)

Approved and authorized for issue by the Board of Directors on May 28 2025.

"Kevin Taylor"

Director

"Andrew Parks"

Director

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

NetraMark Holdings Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

		Three Months Ended		Six Months Ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Note	\$	\$	\$	\$
Revenue					
Sales Revenue		-	222,157	386,085	221,857
Total Revenue		-	222,157	386,085	221,857
Expenses:					
Sales, General and Administrative	8	1,322,944	852,232	2,206,501	1,722,529
Share-Based Compensation	7	267,225	85,372	502,820	207,814
Total Expenses		1,590,169	937,604	2,709,321	1,930,343
Other Income – SR&ED Refund		-	-	-	139,913
Net (Loss) and Comprehensive (Loss)		(1,590,169)	(715,447)	(2,323,236)	(1,568,573)
Net (Loss) Per Share – Basic and Diluted		(0.02)	(0.01)	(0.03)	(0.02)
Weighted Average Number of Shares Outstanding – Basic and Diluted		78,133,031	66,222,435	74,270,701	66,222,435

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

NetraMark Holdings Inc.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Unaudited - Expressed in Canadian Dollars)

For the Six Months Ended March 31, 2025 and March 31, 2024

	Note	Number of Shares	Common Shares	Contributed Surplus	Deficit	Total Shareholders' Equity
		#	\$	\$	\$	\$
Balance, September 30, 2023		65,637,875	28,815,881	5,263,143	(32,993,558)	1,085,466
Issuance of Common Share for Services	7	1,515,769	498,027	-	-	498,027
Share Based Compensation	7	-	-	207,814	-	207,814
Net Loss for The Period		-	-	-	(1,568,573)	(1,568,573)
Balance, March 31, 2024		67,153,644	29,313,908	5,470,957	(34,562,131)	222,734
Issuance of Common Share for Services	7	1,536,504	380,747	-	-	380,747
Issuance of Common Shares for Exercise of Warrants	7	1,395,000	695,286	(195,286)	-	500,000
Issuance of Common Shares for Exercise of Options	7	200,000	110,593	(37,594)	-	72,999
Share Based Compensation	7	-	-	388,184	-	388,184
Net loss for the period		-	-	-	(1,763,221)	(1,763,221)
Balance, September 30, 2024		70,285,148	30,500,534	5,626,261	(36,325,352)	(198,557)
Issuance of Common Share for Services	7	300,432	227,435	-	-	227,435
Issuance of Common Shares for Exercise of Warrants	7	7,514,531	3,689,460	(668,362)	-	3,021,098
Issuance of Common Shares for Exercise of Options	7	710,000	521,361	(172,361)	-	349,000
Issuance of Common Shares for Exercise of RSUs	7	1,440,625	604,188	(604,188)	-	-
Share Based Compensation	7	-	-	502,820	-	502,820
Net loss for the period		-	-	-	(2,323,236)	(2,323,236)
Balance, March 31, 2025		80,250,736	35,542,978	4,684,170	(38,648,588)	1,578,560

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

NetraMark Holdings Inc.**Condensed Interim Consolidated Statements of Cash Flow**

(Unaudited - Expressed in Canadian dollars)

For the Six Months Ended March 31, 2025 and March 31, 2024

	Note	March 31, 2025 \$	March 31, 2024 \$
Cash flow from operating activities			
Net loss and comprehensive loss for the year		(2,323,236)	(1,568,573)
Items not affecting cash:			
Issuance of shares for services	7, 8	227,435	498,027
Share-based compensation	7	502,820	207,814
Changes in non-cash working capital items:			
Prepaid expenses		(13,226)	29,713
Accounts receivable		81,049	(169,826)
Other receivables		(8,679)	42,946
Accounts payable and accrued liabilities		218,315	(561,820)
Deferred revenue	6	(14,337)	-
Cash flow used in operating activities		(1,329,859)	(1,521,719)
Cash flow from Investing activities			
Purchase of short-term investments	5	(1,500,000)	-
Cash flow used in investing activities		(1,500,000)	-
Cash flow from Financing activities			
Issuance of common shares on exercise of warrants	7	3,021,098	-
Issuance of common shares on exercise of options	7	349,000	-
Cash flow from financing activities		3,370,098	-
Change in cash		540,239	(1,521,719)
Cash, beginning of year		59,753	1,776,570
Cash, end of year		599,992	254,851

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

NetraMark Holdings Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

1. Nature of Operations and Going Concern

NetraMark Holdings Inc. (the "Company") was incorporated under the *Business Corporations Act* (Ontario) on May 8, 2019, under the name "2695174 Ontario Inc.". On June 19, 2020, the Company changed its name from "2695174 Ontario Inc." to "Nurosene Inc.". On March 26, 2021, the Company completed a continuance from the *Business Corporations Act* (Ontario) to the *Business Corporations Act* (British Columbia). In connection with the continuance, the Company changed its name to "NetraMark Holdings Inc." on February 1, 2023.

The Company's head office is located at 1655 Dupont Street, Suite 101, Toronto, Ontario M6P 3T1 and its registered office is located at 500 Burrard Street, Suite 2900, Vancouver, British Columbia V6C 0A3.

These condensed interim consolidated financial statements include the results of the Company and the three subsidiaries of the Company, including Netramark Corporation Inc., Netra Phrama and NetraloT.

Going Concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material. It is not possible to predict whether the Company will be able to raise adequate financing or to ultimately attain profit levels of operations. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Changes in future conditions could require material write downs of the carrying values. Management monitors recent developments in relation to global tariffs and does not anticipate any material impacts on the financial position of the Company

Negative Operating Cash Flow

The Company currently has a negative operating cash flow and may continue to have a negative operating cash flows for the foreseeable future. To date, the Company has begun to generate revenues, however, it is expected that additional capital investment will be required to continue to build the revenue pipeline. The Company's ability to generate revenues and potential to become profitable will depend largely on the ability to develop and market products and services. These condensed interim consolidated financial statements have been prepared on a basis that assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These condensed interim consolidated financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company incurred a net loss of \$2,323,236 (2024 - \$1,568,273) during the six months ended March 31, 2025, and, as at that date, had working capital of \$1,578,560 (September 2024 - \$198,557 deficit) and a cumulative deficit of \$38,648,588 (September 2024 - \$36,325,352). There can be no assurance that any such events will occur or that the Company will ever become profitable.

Additional Financing

To date, the Company has minimal sources of revenue to fund its operational needs and will require significant additional financing to continue its operations. There can be no assurance that such financing will be available at all or on favourable terms. Failure to obtain such additional financing could result in delay or indefinite postponement of the Company's deployment of its products. Additional financing may dilute the ownership interest of the Company's shareholders at the time of the financing and may dilute the value of their investment.

NetraMark Holdings Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

2. Basis of Presentation

(a) Statement of compliance

These condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". These condensed interim consolidated financial statements include all necessary disclosures required from interim financial statements, but do not include all disclosures required for annual financial statements. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2024.

(b) Basis of presentation

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value, as detailed in the Company's accounting policies.

(c) Basis of consolidation

These condensed interim consolidated financial statements consolidate the accounts of the Company and its wholly owned subsidiaries. Subsidiaries are those entities the Company controls by having power to, directly or indirectly, govern their financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are de-consolidated from the date control ceases. Intercompany transactions, balances, income and expenses, and profit and losses are eliminated upon consolidation.

3. Significant Accounting Policies

These condensed interim consolidated financial statements have been prepared following the same principles and methods of computation as outlined in the Company's consolidated financial statements for the year ended September 30, 2024. A description of the accounting standards and interpretations that have been adopted by the Company can be found in the notes of the annual consolidated financial statements for the year ended September 30, 2024.

The preparation of the condensed interim consolidated financial statements requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. These condensed interim consolidated financial statements include estimates, which by their nature, are uncertain. These assumptions and associated estimates are based on historical experience and other factors that are considered to be relevant. As such, actual results may differ from estimates and the effect of such differences may be material. Significant estimates and judgements used in the preparation of these condensed consolidated interim financial statements remained unchanged from those disclosed in the Company's annual consolidated financial statements for the year ended September 30, 2024. These condensed interim consolidated financial statements of NetraMark Holdings Inc. were authorized for issue in accordance with a resolution of the Board of Directors on May 28, 2025.

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

4. Accounts Receivable and Other Receivables

As at March 31, 2025, the Company has \$nil (September 30, 2024 – \$81,049) in accounts receivable, and there is \$nil (September 30, 2024 – \$nil) in overdue accounts that do not have an associated provision.

As at March 31, 2025, the Company holds \$59,068 (September 30, 2024 – \$50,389) in other receivables comprised of GST/HST receivables.

5. Short-Term Investments

On August 25, 2023, the company signed up for a GIC for \$5,000 for 1 year at a rate of 3% per year. The GIC was renewed on September 18, 2024 yielding \$149 in interest income which were reinvested into the GIC upon renewal. As at March 31, 2025, the value of the GIC held was \$5,149.

On March 24, 2025 the company signed up for a one-year redeemable GIC for \$1,000,000 at a rate of 2.5% per year.

On March 28, 2025 the company signed up for two non-redeemable one-year GICs for \$250,000 each at a rate of 3.15% per year.

6. Deferred Revenue

At times, the Company may take payment in advance for services to be rendered. These amounts are held and recognized as revenue as the services are rendered.

	March 31, 2025	September 30, 2024
Deferred revenue	\$	\$
Opening balance	75,190	23,029
Revenue recognized	(38,662)	-
Unearned revenue received	-	52,161
Unearned grant reimbursement (Note 9)	24,325	-
Closing Balance	60,853	75,190
Current portion	60,853	75,190
Total	60,853	75,190

The deferred revenue as of March 31, 2025, is expected to be recognized within one year.

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024**7. Shareholders' Equity**Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

Outstanding share capital

As at March 31, 2025, the Company's outstanding share capital is entirely composed of common shares.

		Number of Shares	Amount
		#	\$
Balance, September 30, 2023		65,637,875	28,815,881
Issuance of common shares for services	(a)	3,052,273	878,774
Issuance of common shares for exercise of warrants	(d)	1,395,000	695,286
Issuance of common shares for exercise of options	(b)	200,000	110,593
Balance, September 30, 2024		70,285,148	30,500,534
Issuance of common shares for services	(a)	300,432	227,435
Issuance of common shares for exercise of warrants	(d)	7,514,531	3,689,460
Issuance of common shares for exercise of options	(b)	710,000	521,361
Issuance of common shares for exercise of RSUs	(c)	1,440,625	604,188
Balance, March 31, 2025		80,250,736	35,542,978

(a) Shares issued for services

During the six months ended March 31, 2025, the Company issued 300,432 common shares to management, valued at the share price on the date of issuance:

- On October 31, 2024, the Company issued 87,441 common shares valued at \$0.40 per share.
- On November 30, 2024, the Company issued 120,649 common shares valued at \$0.80 per share.
- On December 31, 2024, the Company issued 26,279 common shares valued at \$1 per share.
- On January 31, 2025, the Company issued 24,594 common shares valued at \$1.07 per share.
- On February 28, 2025, the Company issued 18,280 common shares valued at \$1.44 per share.
- On March 31, 2025, the Company issued 23,189 common shares valued at \$1.13 per share.

During the year ended September 30, 2024, the Company issued 3,052,273 common shares to management, valued at the share price on the date of issuance:

- On October 31, 2023, the Company issued 234,224 common shares valued at \$0.36 per share.
- On November 30, 2023, the Company issued 237,879 common shares valued at \$0.35 per share.
- On December 31, 2023, the Company issued 233,154 common shares valued at \$0.35 per share.
- On January 31, 2024, the Company issued 211,316 common shares valued at \$0.39 per share.
- On February 28, 2024, the Company issued 272,747 common shares valued at \$0.305 per share.
- On March 31, 2024, the Company issued 326,449 common shares valued at \$0.255 per share.
- On April 30, 2024, the Company issued 225,711 common shares valued at \$0.315 per share.
- On May 31, 2024, the Company issued 272,953 common shares valued at \$0.26 per share.
- On June 30, 2024, the Company issued 249,807 common shares valued at \$0.285 per share.
- On July 31, 2024, the Company issued 287,598 common shares valued at \$0.25 per share.
- On August 31, 2024, the Company issued 390,279 common shares valued at \$0.18 per share.
- On September 30, 2024, the Company issued 110,156 common shares valued at \$0.23 per share.

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

7. Shareholders' Equity (continued)**(b) Stock options**

Under the Company's stock option plan (the "Plan"), the Company's Board of Directors is authorized to grant stock options to directors, senior officers, employees, consultants, consultant company or management company employees of the Company and its subsidiaries not to exceed in the aggregate 15% of the issued and outstanding common shares of the Company from time to time. Stock options granted under the Plan are exercisable over a period not exceeding 10 years from the date granted. Exercise prices may not be less than the market price of the common shares at the time of the grant. An option shall vest in the manner imposed by the Board of Directors as a condition at the grant date.

A summary of changes in the Company's options for the six months ended March 31, 2025 and the year ended September 30, 2024 is as follows:

	Number of options #	Weighted average exercise price \$
Balance, September 30, 2023	5,071,000	0.57
Granted	1,810,000	0.37
Exercised	(200,000)	0.37
Forfeited	(25,000)	0.70
Balance, September 30, 2024	6,656,000	0.51
Granted	985,000	0.44
Exercised	(710,000)	0.49
Expired	(100,000)	0.50
Balance March 31, 2025	6,831,000	0.50

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024**7. Shareholders' Equity (continued)****(b) Stock options (continued)**

The following table summarizes information about the Company's stock options outstanding at March 31, 2025:

Grant date	Exercise Price (\$)	Weighted average remaining life (years)	Number of options outstanding
June 8, 2021	0.90	1.19	150,000
June 9, 2021	0.90	1.19	676,000
September 6, 2021	1.69	6.44	70,000
April 22, 2022	0.70	2.06	850,000
July 13, 2022	0.40	2.28	500,000
July 18, 2022	0.52	2.30	200,000
July 18, 2022	0.70	2.30	20,000
July 20, 2022	0.41	2.30	350,000
August 8, 2022	0.40	2.38	100,000
August 15, 2022	0.41	2.38	350,000
October 31, 2022	0.35	2.59	300,000
June 19, 2023	0.38	3.22	500,000
June 28, 2023	0.38	3.22	20,000
July 14, 2023	0.38	3.22	50,000
November 2, 2023	0.45	3.64	35,000
March 26, 2024	0.35	3.99	50,000
June 11, 2024	0.35	4.20	1,225,000
September 9, 2024	0.21	4.47	400,000
October 11, 2024	0.25	2.53	300,000
October 15, 2024	0.25	2.54	250,000
November 18, 2024	0.63	1.64	400,000
February 10, 2025	1.16	2.87	35,000
Total	0.50	2.43	6,831,000

During the six months ended March 31, 2025, a share-based compensation expense of \$211,450 has been recognized in the consolidated statement of loss and comprehensive loss (2024 – \$71,932) in relation to the stock options.

During the six months ended March 31, 2025, the Company granted 985,000 stock options (2024 – 85,000) with a weighted average fair value of \$0.44 per unit (2024 – \$0.39 per unit).

The fair value of the Company's stock options granted during the year were determined using the Black-Scholes option pricing model with the following weighted average assumptions:

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024**7. Shareholders' Equity (continued)****(b) Stock options (continued)**

	2025	2024
Volatility	102.82% - 116.57%	77.74% - 120.66%
Risk-free interest rate	3.01% - 3.15%	3.47%-3.94%
Expected life (years)	2 - 3 years	5 years
Dividend yield	Nil	Nil
Forfeiture	Nil	Nil
Share price	\$0.22 - \$1.11	\$0.27-\$0.365
Exercise price	\$0.25 - \$1.16	\$0.35-\$0.45

During the six months ended March 31, 2025, 710,000 common shares were issued upon exercise of stock options (2024 - nil common shares). Upon exercise of stock options, for the six months ended March 31, 2025, \$172,361 (2024- \$nil) was transferred from contributed surplus to share capital in the consolidated statements of changes in shareholders' equity. Cash proceeds upon exercise of stock options during the six months ended March 31, 2025, totalled \$349,000 (2024 - \$nil).

(c) Restricted Share Units

A summary of changes in the Company's Restricted Share Units for the six months ended March 31, 2025 and the year ended September 30, 2024 is as follows:

	Number of Units Outstanding	Number of units Exercisable
Balance, September 30, 2023	2,172,000	1,122,000
Granted	460,000	-
Balance, September 30, 2024	2,632,000	1,952,000
Granted	525,000	-
Exercised	(1,440,625)	-
Balance, March 31, 2025	1,716,375	889,500

During the six months ended March 31, 2025, the Company issued 525,000 restricted share units to consultants of the Company (2024 – nil), with a weighted average aggregate fair value of \$1.07 per unit (2024 – nil) determined using the share price on the grant date.

During the six months ended March 31, 2025, a share-based compensation expense of \$291,370 has been recognized in the condensed interim consolidated statement of loss and comprehensive loss (2024 – \$135,882) in relation to the restricted share units.

During the six months ended March 31, 2025, 1,440,625 common shares were issued upon exercise of 1,440,625 restricted share units (2024 – nil). Upon exercise of the restricted share units, \$604,188 (2024 - \$nil) was transferred from contributed surplus to share capital in the condensed interim consolidated statement of changes in shareholders' equity.

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024**7. Shareholders' Equity (continued)****(d) Share Purchase Warrants**

Each warrant entitles the holder to purchase one common share at a set price, at the option of the holder for a set period.

A summary of changes in the Company's warrants for the six months ended March 31, 2025 and the year ended September 30, 2024 is as follows:

	Number of warrants #	Weighted average exercise price \$
Balance, September 30, 2023	18,575,341	0.40
Exercised	(1,395,000)	0.36
Expired	(681,250)	0.60
Balance, September 30, 2024	16,499,091	0.40
Exercised	(7,514,531)	0.40
Expired	(98,209)	0.65
Balance, March 31, 2025	8,886,351	0.39

The following table summarizes information about the Company's outstanding warrants at March 31, 2025:

Grant date	Exercise Price (\$)	Weighted average remaining life (years)	Number of warrants outstanding	Number of warrants exercisable
October 13, 2022	0.40	0.54	1,409,570	1,409,570
October 31, 2022	0.40	0.59	296,930	296,930
June 9, 2023	0.50	1.19	1,351,351	1,351,351
June 14, 2023	0.50	1.21	390,000	390,000
September 19, 2023	0.35	0.47	5,438,500	5,438,500
Total	0.63		8,886,351	8,886,351

During the six months ended March 31, 2025, 7,514,531 common shares were issued upon exercise of warrants (2024 - nil common shares). Upon exercise of the warrants, \$668,362 (2024 - \$nil) was transferred from contributed surplus to share capital in the condensed interim consolidated statement of changes in shareholders' equity. Cash proceeds upon exercise of warrants totalled \$3,021,098 (2024 - \$nil)

8. Sales, General and Administrative

Item	Three Months Ended		Six Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	\$	\$	\$	\$
Advertising and Promotion	139,945	(39,543)	146,006	18,160
Consulting fees	543,855	406,028	1,096,769	838,265
Professional fees	379,709	67,884	411,817	101,500
Office and miscellaneous	102,669	162,489	215,030	294,838
Payroll	156,766	255,374	336,879	469,766
Total	1,322,944	852,232	2,206,501	1,722,529

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024**8. Sales, General and Administrative (Continued)**

Sales, general and administrative expenses consisted primarily of consulting fees and professional fees during the six months ended March 31, 2025. The company issued 300,432 common shares (Note 7a) for a total compensation of \$227,435 for services (2024 – 1,515,769 shares for \$498,027).

9. Government Assistance

The Company receives funding for some of its activities through a government program. During the three and six months ended March 31, 2025 the following amounts were received:

Item	Three Months Ended		Six Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	\$	\$	\$	\$
(a) OBI funding	41,700	-	41,700	-
Total received	41,700	-	41,700	-
Less: credit against Sales, General and Administrative	(17,375)	-	(17,375)	-
Less: Unearned grant recovery	(24,325)	-	(24,325)	-
Total	-	-	-	-

During the six months ended March 31, 2025, the Company received a grant from the Ontario Brain Institute (“OBI”) a grant totalling \$69,500 for the reimbursement of certain costs relating to a one-year collaborative research project. During the period ended March 31, 2025, the Company received the initial funding of \$41,700 and has recognized \$17,375 (2024 - \$nil) by deducting this amount from the related expenses to be compensated. There are no unfulfilled conditions on the amount that has been recognized.

As at March 31, 2025, the Company has deferred revenue from government grants of \$24,325 (2024 - \$nil) (Note 6).

10. Related Party Transactions

Parties are considered related if the party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company’s senior management, directors and officers. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

	Three Months Ended		Six Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	\$	\$	\$	\$
Cash based compensation	161,149	217,870	370,977	378,267
Share-based compensation ⁽¹⁾	44,950	79,749	89,010	159,579
Share-based compensation ⁽²⁾	84,593	77,255	173,346	186,780
Total	290,692	374,874	633,333	724,626

NetraMark Holdings Inc.

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

10. Related Party Transactions (Continued)

- (1) A total of 120,013 common shares were issued to key management in lieu of cash for a total compensation of \$89,010 during the six months ended March 31, 2025 (2024 – 485,652 shares for \$159,579).
- (2) A total of \$173,346 was recorded as share-based compensation relating to the issuance of options and RSU's to directors and officers of the Company during the six months ended March 31, 2025 (2024 – \$186,780)

11. Capital Management

The Company's objective in managing capital is to ensure a sufficient liquidity position to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt, comprised of issued common shares, contributed surplus and accumulated deficit. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administrative expenses, working capital and overall capital expenditures. Since inception, the Company has primarily financed its liquidity needs through offerings of common shares.

There have been no changes to the Company's objectives and what it manages as capital since inception. The Company is not subject to externally imposed capital requirements.

12. Financial Instruments and Risk Management

Financial Instruments

The Company has classified its cash as fair value through profit and loss ("FVTPL"). Other receivables have been classified as loans and receivables. Accounts payable and accrued liabilities have been classified as other financial liabilities.

The carrying values of cash, other receivables and accounts payable and accrued liabilities approximate their fair values due to their short periods to maturity.

Fair Value Hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 – inputs that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) from observable market data

Level 3 – inputs for assets and liabilities not based upon observable market data

Financial Risk Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

NetraMark Holdings Inc.**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited - Expressed in Canadian Dollars, unless otherwise stated)

For the Three and Six Months Ended March 31, 2025 and March 31, 2024

12. Financial Instruments and Risk Management (Continued)

(a) Credit risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and accounts receivable. The Company's cash is held at a major financial institution and lawyer's trust accounts. The Company's receivables are due from the CRA for HST/GST refunds. The Company regularly monitors its credit risk exposure and takes steps to mitigate the likelihood of these exposures resulting in actual loss.

(b) Liquidity risk

The Company constantly monitors and manages its cash flows to assess the liquidity necessary to fund operations. All of the Company's financial liabilities are due within one year.

13. Subsequent Events

Subsequent to the year-end, the Company has issued as follows:

- On April 23, the Company issued 125,000 shares for the exercise of warrants for proceeds of \$43,750.
- On April 29, the Company issued 125,000 shares for the exercise of warrants for proceeds of \$43,750.
- On April 30, the Company issued 17,036 shares valued at \$1.51 per share for consulting services.
- On May 12, the Company issued 100,000 shares for the exercise of warrants for proceeds of \$50,000.
- On May 15, the Company issued 50,000 shares for the exercise of warrants for proceeds of \$17,500