

**Datametrex AI Limited**

Consolidated Financial Statements  
March 31, 2025 and 2024

(Canadian dollars, except as otherwise noted)



KINGSTON  
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July 29, 2025  
Edmonton, Alberta

## **INDEPENDENT AUDITOR'S REPORT**

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To the Shareholders of Datametrex AI Limited

### **Opinion**

We have audited the consolidated financial statements of Datametrex AI Limited and its subsidiaries (the Company), which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2025 and 2024 and the consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material Uncertainty Relating to Going Concern**

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the period ended March 31, 2025 and, as of that date, the Company's current liabilities exceeded its current assets. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Emphasis of Matter - Comparative Information**

We draw attention to Note 20 to the consolidated financial statements which indicates that the comparative information presented as at and for the period ended March 31, 2024 has been restated. Note 20 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. This matter was addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

(continues)

## Independent Auditor's Report to the Shareholders of Datametrex AI Limited *(continued)*

In addition to the matter described in the Emphasis of Matter - Material Uncertainty Related to Going Concern section, we have determined that matters described below to be key audit matters to be communicated in our auditor's report.

### ***Impairment assessment***

We refer to financial statement summary of material accounting policies in Note 2 and related disclosures in Note 7.

During the period ended March 31, 2025, the Company recognized an impairment loss on its goodwill and intangible assets in the amount of \$3,002,858. The Company reviews for indicators of impairment at each statement of financial position date and when events or changes in circumstances indicate that assets may be impaired. We identified the Company's impairment assessment as a key audit matter.

This impairment test is significant to our audit because the Company identified indicators of impairment for its assets, resulting in a significant impairment expense being recognized. In addition, portions of management's assessment process can be complex and highly judgmental and are based on assumptions, specifically forecasted future cash flows and discount rates, giving rise to high estimation uncertainty.

To address the risk for material misstatement on the impairment assessment, our audit procedures included, amongst other procedures:

- Examined and assessed management's identified indicators of impairment within the business lines of the Company.
- Evaluated the reasonableness of the Company's cash flows by comparing projections to, among others, historical expenses and operations and current business plans.
- Assessed the assumptions, methodologies and data used by the Company, in particular those relating to forecasted cash flows and discount rates.
- Tested the completeness and accuracy of the underlying data used in the Company's valuation model.
- Performed analysis on significant management assumptions used in the valuation model.
- Engaged the involvement of external auditor experts to assist in the impairment assessment.

We assessed the adequacy of the Company's presentation and disclosures related to impairment assessment.

### **Other Information**

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, which includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

*(continues)*

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report to the Shareholders of Datametrex AI Limited *(continued)*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Justin Rousseau.

*Kingston Ross Pasmak LLP*  
**Kingston Ross Pasmak LLP**  
Chartered Professional Accountants

# Datametrex AI Limited

## Consolidated Statements of Financial Position

As of March 31, 2025 and 2024

(Canadian dollars)

	March 31, 2025	March 31, 2024
	\$	\$
<b>Assets</b>		<b>Restated (note 20)</b>
<b>Current assets</b>		
Cash and cash equivalents	368,107	341,242
Trade and loan receivables (notes 4, 13 and 14)	2,565,875	2,177,195
Inventory (note 5)	-	139,367
Marketable securities (note 11)	58,999	792,998
Prepaid expenses and other assets	208,015	221,721
<b>Total current assets</b>	<b>3,200,996</b>	<b>3,672,523</b>
<b>Right-of-use asset</b> (note 9)	<b>1,069,900</b>	4,990,729
<b>Property and equipment</b> (note 6)	<b>716,127</b>	1,871,094
<b>Intangible assets</b> (notes 7 and 15)	-	953,528
<b>Goodwill</b> (notes 7 and 15)	-	1,472,649
<b>Total assets</b>	<b>4,987,023</b>	<b>12,960,523</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (notes 13 and 14)	1,328,574	1,512,902
Income taxes payable	1,166,014	2,858,320
Current portion of lease liability (notes 9 and 14)	116,403	504,844
Loans payable (notes 10, 13 and 14)	682,912	518,995
Provisions (notes 12 and 15)	-	1,875,000
<b>Total current liabilities</b>	<b>3,293,903</b>	<b>7,270,061</b>
<b>Long-term lease liability</b> (notes 9 and 14)	<b>1,036,719</b>	4,690,412
<b>Deferred income taxes</b> (note 18)	-	252,682
<b>Total liabilities</b>	<b>4,330,622</b>	<b>12,213,155</b>
<b>Shareholders' equity</b>		
Share capital (note 12)	59,184,127	56,846,173
Reserves (note 12)	9,649,138	8,993,180
Foreign currency translation reserve	(77,288)	(54,562)
Deficit	(68,099,576)	(65,037,423)
<b>Total shareholders' equity</b>	<b>656,401</b>	<b>747,368</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,987,023</b>	<b>12,960,523</b>

**Description of business and organization** (note 1)

**Contingency** (note 16)

**Subsequent events** (note 21)

Signed "Paul Haber" Director

Signed "Youngcho Lee" Director

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

# Datametrex AI Limited

## Consolidated Statements of Loss and Comprehensive Loss

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars, except share and per share amounts)

	Year ended March 31, 2025 \$	Fifteen months ended March 31, 2024 \$ Restated (note 20)
<b>Revenue</b>		
AI and Technology (notes 3 and 13)	2,503,342	3,852,772
Health Security (note 3)	3,984,328	4,931,298
	<u>6,487,670</u>	<u>8,784,070</u>
<b>Direct costs</b> (note 3 and 13)	<u>(3,415,714)</u>	<u>(6,303,957)</u>
<b>Gross profit</b> (note 3)	3,071,956	2,480,113
<b>Expenses</b>		
Salaries, benefits and consulting fees	1,402,148	3,299,650
Office and general	1,020,319	2,386,006
Professional fees	1,085,501	2,521,274
Other operating expenses	152,760	633,896
Share-based compensation (note 12)	347,003	1,318,192
Depreciation and amortization (notes 6, 7 and 9)	1,359,659	3,603,911
	<u>5,367,390</u>	<u>13,762,929</u>
<b>Loss before undernoted items</b>	(2,295,434)	(11,282,816)
Unrealized gain (loss) on marketable securities (note 11)	(117,599)	1,416,029
Unrealized loss on New World Solutions Inc. (note 11)	(73,250)	-
Loss on sale of marketable securities (note 11)	(306,573)	(1,084,591)
Gain on sale of property and equipment (note 6)	17,431	-
Gain on lease termination (note 9)	75,357	-
Gain on settlement of liabilities (notes 8, 10, 12, 13 and 15)	2,119,104	199,733
Impairment of intangible assets and goodwill (note 7)	(1,236,615)	(10,575,450)
Impairment of property and equipment (note 6)	(831,396)	(507,011)
Write down of inventory (note 5)	-	(136,724)
Interest and accretion	(259,888)	(394,628)
Interest and other income (expense)	6,058	1,230,474
Loss on settlement of accounts payable (note 17)	-	(2,322,582)
Foreign exchange gain (loss)	13	11,677
Loss on deconsolidation (note 15)	-	(2,574,937)
Write-off of trade receivables (notes 4 and 13)	(251,800)	-
Write-off of accounts payable (note 13)	291,338	-
<b>Loss from continuing operations before income taxes</b>	<u>(2,863,254)</u>	<u>(26,020,826)</u>
Income tax recovery (expense)	1,944,988	1,874,741
<b>Net loss from continuing operations</b>	(918,266)	(24,146,085)
<b>Discontinued operations</b>		
Net loss from discontinued operations, net of tax	<u>(2,143,887)</u>	<u>(99,473)</u>
<b>Net loss</b>	<u>(3,062,153)</u>	<u>(24,245,558)</u>

# Datametrex AI Limited

## Consolidated Statements of Loss and Comprehensive Loss

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars, except share and per share amounts)

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### Other comprehensive loss

Foreign exchange translation adjustment

(22,726) (31,310)

### Comprehensive loss

(3,084,879) (24,276,868)

### Weighted average number of common shares - basic and diluted

19,232,528 13,495,461

### Basic and diluted loss per share from continuing operations

(0.05) (1.79)

### Basic and diluted loss per share from discontinued operations

(0.11) (0.01)

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

# Datametrex AI Limited

## Consolidated Statements of Changes in Shareholders' Equity

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars, except for number of shares)

	<b>Common Shares</b>		<b>Reserves</b>	<b>Foreign currency translation reserve</b>	<b>Deficit</b>	<b>Total</b>
	<b>Number</b>	<b>Amount</b>				
		\$	\$	\$	\$	\$
<b>Balance – December 31, 2022</b>	13,675,839	55,491,860	8,149,978	(23,252)	(40,791,865)	22,826,721
Net loss for the period	-	-	-	-	(24,245,558)	(24,245,558)
Shares issued for private placement (note 12)	1,666,667	1,000,000	-	-	-	1,000,000
Shares issued on exercise of options (note 12)	466,667	1,578,911	(488,911)	-	-	1,090,000
Shares returned to treasury and cancelled (note 12)	(546,350)	(1,210,677)	-	-	-	(1,210,677)
Share issue costs (note 12)	-	(13,921)	13,921	-	-	-
Share-based compensation (note 12)	-	-	1,318,192	-	-	1,318,192
Foreign exchange translation adjustment	-	-	-	(31,310)	-	(31,310)
<b>Balance – March 31, 2024 (Restated – note 20)</b>	<b>15,262,823</b>	<b>56,846,173</b>	<b>8,993,180</b>	<b>(54,562)</b>	<b>(65,037,423)</b>	<b>747,368</b>
Net loss for the year	-	-	-	-	(3,062,153)	(3,062,153)
Shares issued for asset acquisition (notes 7 and 12)	2,333,333	1,050,000	-	-	-	1,050,000
Shares issued for cash (note 12)	2,536,516	760,954	760,955	-	-	1,521,909
Shares issued to settle liabilities (notes 12 and 15)	500,000	75,000	-	-	-	75,000
Shares issued for restricted share units (note 12)	753,334	452,000	(452,000)	-	-	-
Share-based compensation (note 12)	-	-	347,003	-	-	347,003
Foreign exchange translation adjustment	-	-	-	(22,726)	-	(22,726)
<b>Balance – March 31, 2025</b>	<b>21,386,006</b>	<b>59,184,127</b>	<b>9,649,138</b>	<b>(77,288)</b>	<b>(68,099,576)</b>	<b>656,401</b>

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

# Datametrex AI Limited

## Consolidated Statements of Cash Flows

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

	Year ended March 31, 2025 \$	Fifteen months ended March 31, 2024 \$ Restated (note 20)
<b>Cash flows used in operating activities</b>		
Net loss for the period from continuing operations	(918,266)	(24,146,085)
Adjustments to reconcile net loss to operating cash flows		
Depreciation of property and equipment (note 6)	653,261	1,219,603
Amortization of intangible assets (note 7)	115,280	1,628,191
Amortization of right-of use asset (note 9)	591,118	756,094
Accretion on lease liability (note 9)	224,019	343,993
Accretion on long-term debt (note 10)	14,338	50,931
Accrued interest on loans payable (note 10)	21,966	-
Gain on sale of property and equipment (note 6)	(17,431)	-
Gain on settlement of liabilities (notes 12 and 13)	(2,119,104)	-
Gain on lease termination (note 9)	(75,357)	-
Loss on sale of marketable securities (note 11)	306,573	1,084,591
Loss on impairment of property and equipment (note 6)	831,396	507,011
Loss on impairment of intangible assets and goodwill (note 7)	1,236,615	10,575,450
Write down of receivables (notes 4 and 13)	251,800	-
Write down of inventory (note 5)	-	136,724
Write down of accounts payable	(291,338)	-
Loss on deconsolidation (note 14)	-	2,574,937
Share-based payments (note 12)	347,003	1,318,192
Unrealized loss (gain) on marketable securities (note 11)	190,849	(1,416,029)
Deferred income taxes	(252,682)	(324,937)
Net change in operating assets and liabilities (note 8)	(2,348,394)	(1,330,225)
Cash used in operating activities – continuing operations	(1,238,354)	(7,021,559)
Cash provided by operating activities – discontinued operations	13,904	19,615
	<u>(1,224,450)</u>	<u>(7,001,944)</u>
<b>Cash flows provided by (used in) investing activities</b>		
Purchase of property and equipment (note 6)	(344,912)	(1,651,340)
Proceeds from the sale of property and equipment (note 6)	17,431	-
Proceeds from the sale of marketable securities (note 11)	236,577	241,783
Bank indebtedness included in disposition of EVS (note 15)	-	87,517
Cash obtained from Imagine Health acquisition (note 15)	-	110,605
Cash obtained from Cereal Crunch acquisition (note 7)	150,000	-
	<u>59,096</u>	<u>(1,211,435)</u>
<b>Cash flows provided by (used in) financing activities</b>		
Repayments of lease liability (note 9)	(680,810)	(900,378)
Repayments of loans payable (note 10)	(640,930)	(296,667)
Proceeds from loan payable (note 10)	1,021,876	-
Proceeds from exercise of options	-	1,090,000
Proceeds from private placement (note 12)	1,521,909	1,000,000
Shares repurchased (note 12)	-	(1,210,677)
Cash provided by (used in) financing activities – continuing operations	1,222,045	(317,722)
Cash used in financing activities – discontinued operations	(7,218)	(26,469)
	<u>1,214,827</u>	<u>(344,191)</u>
Effect of exchange rate changes on cash and cash equivalents	(22,608)	(36,101)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>26,865</b>	<b>(8,593,671)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>341,242</b>	<b>8,934,913</b>
<b>Cash and cash equivalents, end of period</b>	<b>368,107</b>	<b>341,242</b>

# Datametrex AI Limited

## Consolidated Statements of Cash Flows

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### Cash and cash equivalents are comprised of:

Cash	368,107	341,242
Cash equivalents	-	-
Total	<u>368,107</u>	<u>341,242</u>

### Supplementary information

Shares and units issued for acquisitions	1,050,000	-
Transfer from reserves on exercise of warrants and options	1,050,000	488,911
Interest paid	14,338	-
Income taxes paid	-	-

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

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### **1 Description of business and organization**

Datametrex AI Limited (the “Company”) is a technology company focused on collecting, analyzing and presenting structured and unstructured data using machine learning and artificial intelligence. The Company also started health care businesses including COVID-19 related services, concierge medical services and telemedicine services.

The Company is a publicly traded corporation, incorporated in the province of Ontario and its head office and principal place of business is located at 2300 Yonge Street, Suite 2802, Toronto, Ontario, M4P 1E4, Canada. The Company’s common shares are listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “DM” and on the Frankfurt Stock Exchange under the trading symbol “D4G”.

During the year ended March 31, 2025, the Company reported a net loss of \$3,062,153 (fifteen months ended March 31, 2024 – \$24,245,558) and, as of that date, the Company had accumulated deficit of \$68,099,576 (2024 - \$65,037,423) and a working capital deficit of \$92,907 (2024 - \$3,597,538). The Company’s continuing operations as intended are dependent upon its the ability to raise additional funds, investor sentiment and financial market conditions. The Company continues to seek capital through various means including the issuance of equity and/or debt. Should the Company be unable to secure additional financing, the Company may be unable to discharge its net liabilities. These uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

### **2 Material accounting policy information**

#### **Basis of presentation and statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements were approved and authorized for issuance by the Company’s Board of Directors on July 29, 2025.

The consolidated financial statements are presented in Canadian dollars which is also the Company’s functional currency. The consolidated financial statements are presented at historical costs, other than certain financial instruments measured at fair value. The accrual method of accounting is used in the consolidated financial statements, other than cash flow information. The accounting policies have been applied consistently in these consolidated financial statements, unless otherwise indicated.

#### **Basis of consolidation**

The consolidated financial statements include the accounts of all entities controlled by the Company, which are referred to as subsidiaries, and references to the Company include references to such subsidiaries. The financial statements of the subsidiaries are included in these consolidated financial statements from the date on which control commences until the date on which control ceases.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

The Company's wholly owned operating subsidiaries include:

<b>Name of the entity</b>	<b>Jurisdiction of incorporation</b>	<b>Functional currency</b>	<b>Principal activity</b>
Datametrex Limited	Canada	Canadian Dollar	Inactive
9172-8766 Quebec Inc. ("Nexalogy")	Canada	Canadian Dollar	AI and Technology
Datametrex Korea Limited ("Datametrex Korea")	Korea	Korean Won	AI and Technology
Medi-Call Inc. ("Medi-Call")	Canada	Canadian Dollar	Inactive
Datametrex Electric Vehicle Solutions Inc. ("EVS") <sup>(1)</sup>	Canada	Canadian Dollar	AI and Technology
Imagine Health Medical Clinics Ltd. ("IHMed") <sup>(2)</sup>	Canada	Canadian Dollar	Health Care
Imagine Health Pharmacies & Research Ltd. ("IHPharma") <sup>(2)(3)</sup>	Canada	Canadian Dollar	Health Care
Imagine Health Physio Ltd. ("IHPhysio") <sup>(2)(3)</sup>	Canada	Canadian Dollar	Health Care

(1) Deconsolidated as of December 7, 2023, being the date of disposition.

(2) Consolidated as of May 1, 2023, being the date of acquisition.

(3) Classified as discontinued operation as at March 31, 2025.

The Company's consolidated financial statements are presented in Canadian Dollar.

Intercompany balances and transactions are eliminated upon consolidation and preparation of these consolidated financial statements.

### Discontinued Operations

Discontinued operations are presented in the consolidated statements of operations as a separate line.

### Critical Accounting Estimates and Judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and judgments that affect the applications of accounting policies regarding certain types of assets, liabilities, revenues, and expenses in the preparation of these consolidated financial statements. Estimates and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. These estimates and judgments are based on management's historical experience, and its best knowledge of current events or conditions and activities that the Company may undertake in the future. Actual results could differ materially from these estimates.

### Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the amounts reported in these consolidated financial statements are discussed below:

#### a) **Business combinations, control and significant influence**

The Company uses judgment in determining the entities that it controls and therefore, consolidates or has significant influence over and therefore accounts for on an equity basis. The Company controls an entity when the Company has existing rights that give it the current ability to direct the activities that significantly affect the entities' returns. The Company has significant influence when the Company has the power to participate in the financial and operating policy decisions of the investee, but does not control nor has joint control of that investee's policies.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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b) **Intangible assets and goodwill**

Management is required to use judgment in determining the economic useful lives of identifiable intangible assets. Judgment is also required to determine the frequency with which these assets are to be tested for impairment. The Company uses judgment in determining the grouping of assets to identify its Cash Generating Units (“CGUs”) for purposes of testing for impairment of intangible assets and goodwill. In testing for impairment, goodwill acquired in a business combination is allocated to the CGUs that are expected to benefit from the synergies of the business combination. In testing for impairment of intangibles with indefinite lives, these assets are allocated to the CGUs to which they relate.

c) **Income taxes**

In calculating current and deferred income taxes, the Company uses judgment when interpreting the tax rules where the Company operates. The Company also uses judgment in classifying transactions and assessing probable outcomes of claimed or accrued deductions, which considers expectations of future operating results, the timing and reversal of temporary differences and possible audits of income tax filings by tax authorities.

d) **Share based compensation**

In calculating grant valuations, various inputs and assumptions are used with respect to expected option life, risk free interest rate, dividend yield and expected volatility.

e) **Accounting for the business acquisitions**

The Company applies significant judgment to conclude whether an acquired set of activities and assets is a business. The acquisition of a business is accounted for as a business combination, under IFRS 3. If an acquired set of activities and assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition. The Company also applied judgment in identifying the assets acquired and evaluating which IFRS standard the asset should be measured in.

### Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the changes affects both.

a) **Accrued liabilities, provisions and contingent consideration**

Certain estimates and assumptions that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next fiscal year include accrued liabilities, provisions and contingent consideration. These estimates are based on management’s assumptions, based on current circumstances, that management believes are a reasonable basis upon which to estimate the future liabilities. Specifically for provisions, that the amount of the estimate is reliable and that management has determined that there is an expectation that future outflows of assets will be necessary to cover the provided for amounts.

b) **Fair value of intangible assets and goodwill**

With respect to intangible assets acquired and goodwill recognized in a business combination, and at subsequent assessment dates, the Company determines fair values using such estimates such as discounts rates, growth rates and terminal growth rates. These estimates take into account any material change to the assumptions that occur when reviewed annually by management.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

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### Operating segments

The Company determines its reportable segments based on, among other things, how the chief operating decision makers, including the Chief Executive Officer, regularly reviews its operations and performance.

For the year ended March 31, 2025 and fifteen months ended March 31, 2024, management has determined that the Company operated in two operating and reportable segments being (1) AI and Technology segment, and (2) Health Care segment. The Company's Health Care segment, including the COVID-19 related business which has now ceased operations and Imagine Health consisting of integrated medical centres, pharmacies and ancillary services, is operated from Canada while the AI and Technology segment is operated in Canada and South Korea, respectively (see note 3).

### Leases

The Company leases buildings, primarily for office use. For all lease contracts entered into, or changed, the Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentive received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. There are no dismantling, removal and restoration costs included in the cost of the right-of-use asset as management has not incurred an obligation for those costs.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest rate method.

### Revenue from contracts with customers

The Company uses a five step model for recognizing revenue from contracts with customers. The standard requires revenue to be recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the expected consideration receivable in exchange for transferring those goods or services. This is achieved by applying the following five steps:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

### Health Care

#### a) **COVID-19 services**

The Company provides COVID-19 testing services. The total consideration for service contracts is allocated based on their stand-alone selling prices, and revenue is recognized when the testing services are completed.

#### b) **COVID-19 test kits**

Revenue from the sale of COVID-19 test kits is recognized when the price is fixed and determinable and collection is reasonably assured, and when title to the product transfers to the customer, which occurs upon shipment of the product, unless the Company has retained significant risks of ownership or future obligations with respect to the product shipped in which case the revenue is recognized on delivery.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### c) **Physician consultations and medical professional services**

The Company provides physician consultations and medical professional services to patients on a fee-for-service basis. The total consideration these based on their stand-alone selling prices, and revenue is recognized when the consultation services are completed.

### d) **Pharmacy sales**

Revenue from the sale of prescription drugs and over-the-counter products. Revenue from these pharmacy sales is recognized when the price is fixed and determinable and collection is reasonably assured, and when title to the product transfers to the customer, which occurs upon shipment of the product, unless the Company has retained significant risks of ownership or future obligations with respect to the product shipped in which case the revenue is recognized on delivery.

### AI and technology

### e) **Services**

The Company provides big data, artificial intelligence and system integration services to customers. The total consideration for service contracts is allocated based on their stand-alone selling prices, and revenue is recognized over time as performance obligations are satisfied. This occurs when the Company has earned the right to payment, the customer has possession and the related significant risks and rewards of ownership, and the customer has accepted the service.

The Company's system integration services do not involve significant customization of the software and are not considered essential to functionality. Revenue from services, including IT (i.e. big data and artificial intelligence) consulting services and system integration services are recognized over time as such services are performed. Revenue for fixed price services are generally recognized over time applying input methods to estimate progress to completion. The Company currently does not have any consumption-based service revenues.

### f) **License fees**

Licensing revenue is determined by assessing each individual contract to determine whether the licence obligation is distinct from the other performance obligations within the contract. The Company may have various types of licence obligations depending on the contract:

If the licence obligation is distinct, the Company determines if the licence should be recognized at a point in time ("right to use") or over time ("right to access") throughout the licence period.

- For contracts that provide the customer with a right to use the Company's intellectual property ("IP") at a point in time, licence revenue is recognized once the technology is available for use and the control over the right to use the IP is transferred to the customer.
- For contracts that provide the customer with a right to access the Company's IP over time, licence revenue is recognized over the licence period.

For those contracts where the licence obligation is determined not to be distinct from other performance obligations, the licence revenue is allocated to the associated performance obligations and recognized upon achievement of the milestones applicable to those obligations, generally over a period of one year or less.

### g) **Hardware**

The Company recognizes revenue from the sale of hardware upon delivery of the equipment to the customer's premises when title and the risks and rewards of ownership transfer.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

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### Inventory

Inventory comprising of finished goods is valued at the lower of cost and net realizable value. Net realizable value is determined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined using the weighted-average cost method. Net realizable value is the estimated selling price less applicable selling cost. If the carrying value exceeds net realizable amount, a provision is recognized. The provision may be reversed in a subsequent period if the circumstances which caused the write down no longer exists.

### Deferred revenue

Billings or payments received from customers in advance of products being shipped/delivered are recorded as deferred revenue in the consolidated statements of financial position.

### Financial instruments

The Company uses three classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (“FVTOCI”), and fair value through profit or loss (“FVTPL”). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial liabilities are classified and measured in two categories: amortized cost or FVTPL. The Company does not separate derivatives embedded in contracts where the host is a financial asset. Instead, the hybrid financial instruments as a whole are assessed for classification.

#### a) Classification of financial assets and financial liabilities

The Company’s financial assets and financial liabilities are classified as follows:

	<b>Classification</b>
Cash and cash equivalents	Amortized cost
Trade and loan receivables	Amortized cost
Marketable securities	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Loan payable	Amortized cost

On initial recognition, a financial asset is classified as amortized cost, FVTPL, or FVTOCI. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing the asset, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. The Company recognizes trade receivables initially when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All trade receivables without a significant financing component are initially measured at their transaction prices. All other financial assets are initially measured at fair value plus, for items not classified as FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent to initial recognition, financial assets at amortized cost are measured at cost using the effective interest method. The ‘effective interest rate’, is the rate that discounts estimated future cash flows over the expected life of the financial instrument, or where appropriate, a shorter period. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairments are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or amortized cost. The Company recognizes debt securities it issues when they originate. All other financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

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Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs. After initial recognition, financial liabilities at amortized cost are subsequently measured using the effective interest method.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Transaction costs on financial liabilities classified as FVTPL are expensed as incurred. At the end of each reporting period subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise.

### b) Impairment of financial assets

The Company uses a forward-looking "expected credit loss" ("ECL") model. The ECL model requires judgment, including consideration of how changes in economic factors and forward-looking information affect ECLs, which will be determined on a probability-weighted basis. This impairment model is applied, at each reporting date, to the Company's financial assets measured at amortized cost. Impairment losses are recorded in office and general expenses with the carrying amount of the financial asset reduced through the use of an impairment allowance.

### Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position is comprised of cash at banks and on hand having terms to maturity of 90 days or less, and short-term deposits which are cashable without penalty and are readily convertible into a known amount of cash, and subject to an insignificant risk of change in fair value.

### Provisions

A provision is a liability of uncertain timing or amount. Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic resources will be required to settle the obligation and the amount can be reliably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

### Business combinations

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. The total consideration paid for the acquisition is the fair value of the assets transferred, liabilities incurred and equity instruments issued in exchange for control of the acquiree at the acquisition date. The acquisition date is the date when the Company obtains control of the acquiree. The identifiable assets acquired and liabilities assumed are recognized at their acquisition date fair values, except for deferred taxes and share-based payment awards where IFRS provides exceptions to recording the amounts at fair value. Goodwill represents the difference between total consideration paid and the fair value of the net-identifiable assets acquired. Acquisition costs incurred are expensed in profit or loss.

Contingent consideration is measured at its acquisition date fair value and is included as part of the consideration transferred in a business combination, subject to the applicable terms and conditions. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9 Financial Instruments with the corresponding gain or loss recognized in profit or loss.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

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Based on the facts and circumstances that existed at the acquisition date, management will perform a valuation analysis to allocate the purchase price based on the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date. Management has one year from the acquisition date to confirm and finalize the facts and circumstances that support the finalized fair value analysis and related purchase price allocation.

Until such time, these values are provisionally reported and are subject to change on a prospective basis. Changes to fair values and allocations are retrospectively adjusted subsequent to the finalization of the purchase price allocation.

In determining the fair value of all identifiable assets acquired and liabilities assumed, the most significant estimates generally relate to contingent consideration and intangible assets. Management exercises judgment in estimating the probability and timing of when earn-outs are expected to be achieved, which is used as the basis for estimating fair value. Identified intangible assets are fair valued using appropriate valuation techniques which are generally based on a forecast of the total expected future net cash flows of the acquiree. Valuations are highly dependent on the inputs used and assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Transaction costs for asset acquisitions are capitalized as part of the cost of the assets acquired. Asset acquisitions do not give rise to goodwill.

### Property and equipment

Property and equipment are carried at cost less accumulated depreciation and impairment losses. Gains and losses arising on the disposal of individual assets are recognized in profit or loss in the year of disposal.

Depreciation, which is recorded from the date on which each asset is available for service, is generally provided for on a straight-line basis over the estimated useful lives of the property and equipment as follows:

Computer equipment and machinery	5 years
Office equipment and furniture	5 years
Software	2-5 years
Electric vehicle solutions	5 years
Leasehold improvements	Term of the lease

Property and equipment that are not ready for intended use are not depreciated.

Maintenance and repairs are charged to expense as incurred. Renewals and betterments, which materially prolong the useful lives of the assets, are capitalized. The cost and related accumulated amortization of property retired or sold are removed from the accounts, and gains or losses are recognized in profit or loss.

The Company conducts an annual assessment of the residual values, useful lives and depreciation methods being used for property and equipment, and any changes in estimates arising from the assessment are applied by the Company prospectively.

### Intangible assets

Intangible assets acquired through asset acquisitions or business combinations are initially recognized at fair value. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives. The Company evaluates the reasonableness of the estimated useful lives of these intangible assets on an annual basis. The Company reviews intangible assets with indefinite lives annually for impairment but impairment may be reviewed earlier if circumstances indicate that the carrying amount may not be recoverable. Indefinite life intangible assets are not amortized.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

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The estimated useful lives of intangible assets are as follows:

Trademark	Indefinite life
Non-competition agreements and others	5 years
Patents and developed technologies	5 years to 10 years
Customer relationships	5 years to 10 years

### Goodwill

Goodwill represents the excess purchase price over the fair value of identifiable assets acquired less liabilities assumed from business combinations. Goodwill is not amortized. The Company reviews goodwill annually for impairment but impairment may be reviewed earlier if facts or circumstances indicate that the carrying amount may not be recoverable.

### Foreign currency translation

The functional currency is the currency of the primary economic environment in which an entity operates and may differ from the currency in which the entity conducts transactions.

Transactions in currencies other than the functional currency are translated to the functional currency at exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities that are denominated in currencies other than the functional currency are translated to the functional currency using the exchange rate prevailing on the date of the consolidated statement of financial position, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation of foreign currency-denominated transactions or balances are recorded as a component of profit or loss in the period in which they occur.

Exchange gains and losses arising from the translation of foreign currency-denominated transactions or balances are recorded as a component of profit or loss in the period in which they occur.

The results of operations and financial position of a subsidiary where the functional currency is different from the presentation currency are translated as follows: assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position; expenses are translated at the average exchange rate for the year, all resulting exchange differences are recognized in other comprehensive income or loss. On disposition or partial disposition of a foreign operation, the cumulative amount of any respective exchange difference is recognized in profit or loss.

### Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Where it is not possible to estimate the recoverable amount of an individual asset, assets are grouped together into the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ("CGUs"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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An impairment loss in respect of goodwill is not reversed. For any other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversal of impairment losses are recognized immediately in profit or loss.

### Income taxes

Income tax expense represents the sum of current income tax expense and deferred tax expense. Current income tax expense is based on taxable income for the year. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax is the expected income tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognized based on differences in the financial statement carrying amount for assets and liabilities and the associated tax balance.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax assets are generally recognized for all deductible temporary differences, unused tax credits carried forward and unused tax losses to the extent that it is probable that there will be taxable income against which deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities, when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current income tax assets and liabilities on a net basis.

### Units issued for acquisitions

Units issued for acquisitions are valued at the fair value of the asset acquired, measured at the date on which the assets are received, if the value of the assets acquired can be measured reliably. In that case, the value of the assets acquired is allocated first to the value of the common shares based on the quoted market price of the Company's common shares on the date the assets are received, and any residual amount is allocated to the warrants. If the Company cannot estimate reliably the value of the assets acquired, then the consideration for the assets acquired is measured based on value of the units issued, by separating the units into their component parts (generally common shares and share purchase warrants), which are then individually measured at fair value on the date of grant. The common shares are measured at fair value, using the quoted market price on the date of grant. The warrants are measured at fair value using the Black-Scholes option pricing model.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

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(Canadian dollars)

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### Share based compensation

The grant-date fair value of equity-settled share based payment arrangements granted to employees is generally recognized as share based compensation in profit or loss, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. Share based payment arrangements granted to non-employees are valued at the fair value of the goods or service received, measured at the date on which the goods are received, or the services are rendered. If the Company cannot estimate reliably the fair value of the goods or services received, the Company measures the value and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, using the Black-Scholes option pricing model.

The increase in equity recognized in connection with a share based payment transaction is presented in the "Reserves" line item on the consolidated statements of financial position, as a separate component in equity. For share based payment awards with market conditions, the grant-date fair value of the share based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

### Warrants

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

Broker warrants and other share purchase warrants issued for goods or services are measured at fair value using the Black-Scholes option pricing model.

### Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share for its common shares, calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the earnings attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares. Diluted loss per share is equivalent to basic loss per share, as the effects of all dilutive potential common shares would be anti-dilutive.

### Research and development

Expenditures on research activities are recognized in profit or loss as incurred, net of government assistance in the form of research and development tax credits. Development expenditures are capitalized as part of the cost of the resulting intangible asset only if the expenditures can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Investment tax credits ("ITCs") arising from research and development activities, primarily comprising incentives from the Canadian federal government under the Scientific Research and Experimental Development Tax Incentive Program ("SRED") are applied against research and development expenditures when there is reasonable assurance that the credits will be realized.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

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(Canadian dollars)

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### **Forgivable loans**

A forgivable loan from a government is treated as government assistance when there is reasonable assurance that the Company will meet the terms for forgiveness of the loan. The government assistance is presented in the profit or loss as government grant (other income). If there is no reasonable assurance that the Company will meet the terms for forgiveness of the loan, the loan is recognized as a liability in accordance with IFRS 9 Financial Instruments. The liability would become a government grant (forgivable loan) when there is reasonable assurance that the Company will meet the terms for forgiveness.

### **Comparative information**

The Company's consolidated financial statements for the year ended March 31, 2025 contains comparative information for the fifteen months ended March 31, 2024 due to the change of year-end, which may not result in a direct comparison with the current year presentation.

### **New and amended accounting pronouncements applicable to the current period**

In February 2021, the IASB issued narrow-scope amendments to IAS 1 Presentation of Financial Statements, IFRS Practice Statement 2 Making Materiality Judgments and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from change in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

These amendments had no significant impact on the Company's consolidated financial statements.

### **New accounting standards, interpretations and amendments not yet effective**

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company is in the process of assessing the potential impact of this new standard upon adoption.

Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates clarify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendment requires the disclosure of additional information when a currency is not considered exchangeable. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. Early adoption is permitted. The Company is in the process of assessing the potential impact of this new standard upon adoption.

Amendment to CSDS1 General Requirements for Disclosure of Sustainability-related Financial Information includes requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. The Company is in the process of assessing the potential impact of this new standard upon adoption.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

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(Canadian dollars)

Amendment to CSDS2 Climate-related Disclosures sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are applied prospectively for annual periods beginning on or after January 1, 2025. The Company is in the process of assessing the potential impact of this new standard upon adoption.

### 3 Segment information

For the year ended March 31, 2025 and the fifteen months ended March 31, 2024, the Company has two operating and reportable segments being: (1) AI and Technology; and (2) Health Care.

AI and Technology segment relates to providing IT hardware and software solutions. Revenue is generated from the sale and maintenance of hardware components integrated with the Company's proprietary AI technology.

Health Care segment relates to multidisciplinary healthcare facilities focusing on providing services in medical, pharmacy and physiotherapy. Revenue is generated for physician consultations with patients and for the sale of prescription drugs and over-the-counter products.

Management evaluates the performance of each segment based on its profitability.

	Health Care	AI and Technology	Consolidated totals
	\$	\$	\$
<b>For the year ended March 31, 2025</b>			
Revenue	4,946,151	2,503,342	7,449,493
Direct costs	2,632,713	1,516,045	4,148,758
Gross profit	2,313,438	987,297	3,300,735
Interest expense	265,157	-	265,157
Depreciation	1,468,267	118,645	1,586,912
Segment (loss) income	(3,118,726)	56,573	(3,062,153)
For the fifteen months ended March 31, 2024			
Revenue	5,979,153	3,852,772	9,831,925
Direct costs	4,283,677	2,624,034	6,907,711
Gross profit	1,695,476	1,228,738	2,924,214
Interest expense	414,338	-	414,338
Depreciation	3,049,391	674,246	3,723,637
Segment loss	(15,821,469)	(8,424,089)	(24,245,558)
<b>As at March 31, 2025</b>			
Segment total assets	2,805,991	2,181,032	4,987,023
Segment non-current assets	831,393	954,634	1,786,027
Segment liabilities	3,930,309	400,313	4,330,622
As at March 31, 2024			
Segment total assets	9,950,325	3,010,198	12,960,523
Segment non-current assets	7,532,581	1,755,419	9,288,000
Segment liabilities	11,853,586	359,569	12,213,155

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

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(Canadian dollars)

The Company operates in two geographic locations, being Canada and Korea. Geographical information is summarized as follows:

	Canada \$	Korea \$	Total \$
<b>For the year ended March 31, 2025</b>			
Revenue from external customers	4,946,151	2,503,342	7,449,493
Non-current assets	1,782,653	3,374	1,786,027
	Canada \$	Korea \$	Total \$
<b>For the fifteen months ended March 31, 2024</b>			
Revenue from external customers	6,531,996	3,299,929	9,831,925
Non-current assets	9,281,421	6,579	9,288,000

#### 4 Trade and loan receivables

	March 31, 2025 \$	March 31, 2024 \$
Trade receivables	1,693,870	501,074
Sales taxes receivable	872,005	902,760
Loan receivable	-	10,000
Scientific Research and Experimental Development receivable	-	763,361
	<u>2,565,875</u>	<u>2,177,195</u>

During the year ended March 31, 2025, the Company recognized a write-off of trade receivables of \$125,474 (note 13) and Scientific Research and Experimental Development receivable of \$126,326.

#### 5 Inventory

	March 31, 2025 \$	March 31, 2024 \$
Pharmaceutical drugs and over-the-counter products	-	139,367
	<u>-</u>	<u>139,367</u>

During the year ended March 31, 2025, the operations of IHPharma was closed resulting in the Company recognizing a write down of the remaining inventory of \$1,019.

# Datametrex AI Limited

Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

## 6 Property and equipment

	Computer equipment, software and machinery \$	Office equipment and furniture \$	Electric Vehicle Solutions \$	Leasehold improvements \$	Total \$
<b>Cost</b>					
Balance at December 31, 2022	1,938,171	36,139	937,903	350,000	3,262,213
Additions	1,167,424	-	326,106	157,810	1,651,340
Acquisition of Imagine Health (note 15)	50,871	26,682	-	70,661	148,214
Disposition of EVS	-	-	(1,264,009)	-	(1,264,009)
Effect of foreign exchange	(3,224)	2,082	-	-	(1,142)
<b>Balance at March 31, 2024</b>	<b>3,153,242</b>	<b>64,903</b>	<b>-</b>	<b>578,471</b>	<b>3,796,616</b>
Additions	-	-	-	344,912	344,912
Disposition	(51,238)	-	-	-	(51,238)
Effect of foreign exchange	-	(519)	-	-	(519)
<b>Balance at March 31, 2025</b>	<b>3,102,004</b>	<b>64,384</b>	<b>-</b>	<b>923,383</b>	<b>4,089,771</b>
<b>Accumulated depreciation</b>					
Balance at December 31, 2022	315,318	26,691	-	-	342,009
Depreciation	1,047,657	17,653	151,026	17,126	1,233,462
Impairment	507,011	-	-	-	507,011
Disposition of EVS	-	-	(151,026)	-	(151,026)
Effect of foreign exchange	(5,238)	(696)	-	-	(5,934)
<b>Balance at March 31, 2024</b>	<b>1,864,748</b>	<b>43,648</b>	<b>-</b>	<b>17,126</b>	<b>1,925,522</b>
Depreciation	636,377	16,655	-	15,333	668,365
Disposition	(51,238)	-	-	-	(51,238)
Impairment	-	-	-	831,396	831,396
Effect of foreign exchange	-	(401)	-	-	(401)
<b>Balance at March 31, 2025</b>	<b>2,449,887</b>	<b>59,902</b>	<b>-</b>	<b>863,855</b>	<b>3,373,644</b>
<b>Carrying amounts</b>					
Balance at March 31, 2024	1,288,494	21,255	-	561,345	1,871,094
<b>Balance at March 31, 2025</b>	<b>652,117</b>	<b>4,482</b>	<b>-</b>	<b>59,528</b>	<b>716,127</b>

During the year ended March 31, 2025, the Company sold a computer server for proceeds of \$17,431 previously written down to \$Nil in a prior year resulting in a gain on sale of property and equipment of \$17,431.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

On November 13, 2023, the Company entered into an agreement related to the sale of its subsidiary, EVS, to New World Solutions Inc. (formerly Graph Blockchain Inc.) (“New World”). Pursuant to the agreement, New World agreed to acquire EVS for an aggregate purchase price of up to \$3,750,000, contingent upon EVS achieving certain milestones. The Company may receive up to an additional \$3,000,000 in Earn-Out Payments contingent upon EVS’s fulfillment of certain post-closing performance metrics. EVS assets have been deconsolidated as of December 7, 2023.

During the fifteen months ended March 31, 2024, the Company recorded an impairment loss of \$297,325 related to certain COVID testing equipment as a result of the COVID-19 business virtually ending during the period and an impairment loss of \$209,685 related to the hardware infrastructure of Nexalogy.

During the year ended March 31, 2025, the Company recorded an impairment loss of \$831,396 related to leasehold improvements due to the Company terminating its office lease on Arbutus Street in Vancouver (note 9).

### 7 Goodwill and other intangible assets

	Goodwill	Trademark	Non-competition agreements and others	Patents and developed technologies	Customer relationships	Total intangibles
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
Balance at December 31, 2022	2,972,348	400,000	14,530,337	21,463,576	1,262,000	37,655,913
Acquisition – Imagine Health (note 15)	1,472,649	-	310,005	-	840,000	1,150,005
Disposition – EVS	-	-	-	(4,272,000)	-	(4,272,000)
<b>Balance at March 31, 2024</b>	<b>4,444,997</b>	<b>400,000</b>	<b>14,840,342</b>	<b>17,191,576</b>	<b>2,102,000</b>	<b>34,533,918</b>
Acquisition – Cereal Crunch	-	-	-	900,000	-	900,000
<b>Balance at March 31, 2025</b>	<b>4,444,997</b>	<b>400,000</b>	<b>14,840,342</b>	<b>18,091,576</b>	<b>2,102,000</b>	<b>35,433,918</b>
<b>Accumulated amortization and impairment losses</b>						
Balance at December 31, 2022	-	-	14,530,337	11,776,036	644,995	26,951,368
Amortization	-	-	56,838	1,364,762	297,389	1,718,989
Disposition – EVS	-	-	-	(2,693,069)	-	(2,693,069)
Impairment	2,972,348	400,000	-	6,743,847	459,255	7,603,102
<b>Balance at March 31, 2024</b>	<b>2,972,348</b>	<b>400,000</b>	<b>14,587,175</b>	<b>17,191,576</b>	<b>1,401,639</b>	<b>33,580,390</b>
Amortization	-	-	62,000	108,986	152,333	323,319
Impairment	1,472,649	-	191,167	791,014	548,028	1,530,209
<b>Balance at March 31, 2025</b>	<b>4,444,997</b>	<b>400,000</b>	<b>14,840,342</b>	<b>18,091,576</b>	<b>2,102,000</b>	<b>35,433,918</b>
<b>Carrying amounts</b>						
Balance at March 31, 2024	1,472,649	-	253,167	-	700,361	953,528
<b>Balance at March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Nexalogy

Trademarks and other intangibles include indefinite life trademarks in the amount of \$400,000 relating to the Nexalogy brand. The goodwill and indefinite life trademarks are both a result of the Nexalogy acquisition. During the fifteen months ended March 31, 2024, the Company halted Nexalogy operations and management decided to shift focus to other business ventures resulting in the Company completely writing down its trademarks, other intangibles and goodwill by recording an impairment loss of \$3,831,603.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### Medi-Call

During the year ended December 31, 2022, the Company recorded an impairment loss of \$4,520,112 related to its developed technologies related to Medi-Call, due to Medi-Call falling short of the expected revenues and financial performance during the year. The impairment was determined using a value in use recoverable amount calculation, utilizing a 34.8% discount rate, which is consistent with the original valuation of the developed technology at the acquisition during the year ended December 31, 2021. During the fifteen months ended March 31, 2024, Medi-Call operation did not generate expected revenues and management decided to shift focus to other business ventures resulting in the Company completely writing down its developed technologies by recording an additional impairment loss of \$6,743,847.

### EVS

During the year ended December 31, 2022, the Company acquired EVS resulting in an increase in developed technologies of \$4,272,000 (note 15). During the twelve months ended December 31, 2022, the Company recorded an impairment loss of \$2,225,205 related to its developed technologies related to EVS, due to EVS falling short of the expected revenues and financial performance during the year. The impairment was determined using a value in use recoverable amount calculation, utilizing a 21% discount rate, which is consistent with the original valuation of the developed technology at the acquisition (note 15). As a result of the sale of EVS to New World, the intangible assets have been deconsolidated as of December 7, 2023.

### Imagine Health

During the year ended March 31, 2025, the Company recorded an impairment loss of \$2,211,844 related to its customer relationships, brand and goodwill due to Imagine Health falling short of the expected financial performance during the year. The impairment was determined using a value in use recoverable amount calculation, utilizing a 30% discount rate, which is consistent with the original valuation at the acquisition (note 15).

### Cereal Crunch Mobile Game

On May 9, 2024, the Company completed the arm's length acquisition of the mobile blockchain game Cereal Crunch. The Company acquired all assets related to Cereal Crunch, including the game software, intellectual property, user databases, and \$150,000 in cash. For consideration, the Company issued 2,333,333 common shares valued at \$1,050,000 (note 12). Cereal Crunch launched on Google Play in August 2024. During the year ended March 31, 2025, the Company halted the Cereal Crunch mobile game and management decided to shift focus to other business ventures resulting in the Company completely writing down its intangibles assets by recording an impairment loss of \$791,014.

### Impairment

During the year ended March 31, 2025, the Company discontinued the operations of IHPharma, IHPhysio and Cereal Crunch. The recoverable amount of these operations using value in use was determined to be \$Nil. As a result, the Company fully impaired the intangibles and goodwill associated with these operations in the total amount of \$1,530,209.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

### 8 Net change in operating assets and liabilities

	Year ended March 31, 2025 \$	Fifteen months ended March 31, 2024 \$
<b>Cash flows provided by (used in)</b>		
Trade and loan receivables	(720,562)	1,390,174
Inventory	-	(136,723)
Prepaid expenses and other assets	(157,846)	2,856
Accounts payable and accrued liabilities and provisions	222,320	(1,007,748)
Income taxes payable	(1,692,306)	(1,549,804)
Deferred revenue	-	(28,980)
	<u>(2,348,394)</u>	<u>(1,330,225)</u>

During the year ended March 31, 2025, the Company recognized a gain on settlement of liabilities of \$65,771 included in accounts payable and accrued liabilities.

### 9 Right-of-use asset and lease liability

During the year ended December 31, 2021, the Company entered into a new lease contract for its office on Yonge Street in Toronto. The lease expired in September 2024. In July 2024, The Company entered into an amendment related to modifying the monthly lease cost and extending the lease term to April 2026.

During the twelve months ended December 31, 2022, the Company entered into a new lease contract for its office on Arbutus Street in Vancouver. The lease expires in August 2032. In January 2025, the lease agreement was terminated resulting in the Company recognizing a gain on lease termination of \$75,357 during the year ended March 31, 2025.

During the fifteen months ended March 31, 2024, the Company acquired two leases for its premise on 97 Street in Edmonton expiring in December 2035 and one lease for 6<sup>th</sup> Avenue SE in Calgary expiring in December 2024 (Note 15). In October 2024, the Company entered into an amendment on one Edmonton lease related to modifying the monthly lease cost and changing the lease term to June 2034. During the year ended March 31, 2025, the Company terminated the other lease related to 97 Street in Edmonton resulting in the Company recognizing a gain on lease termination of \$10,472.

#### Right-of-use asset

	\$
<b>Balance at December 31, 2022</b>	<u>3,784,162</u>
Acquisition of Imagine Health (note 15)	1,977,754
Amortization charge for the period	(771,187)
<b>Balance at March 31, 2024</b>	<u>4,990,729</u>
Lease amendment	(216,832)
Amortization charge for the year	(595,228)
Lease termination	(3,108,769)
<b>Balance at March 31, 2025</b>	<u>1,069,900</u>

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

<b>Lease liability</b>	<b>\$</b>
<b>Balance at December 31, 2022</b>	<b>3,780,646</b>
Acquisition of Imagine Health (note 15)	1,977,754
Accretion on lease liability	363,703
Lease payments	(926,847)
<b>Balance at March 31, 2024</b>	<b>5,195,256</b>
Lease amendment	(216,832)
Accretion on lease liability	229,288
Lease payments	(688,028)
Lease termination	(3,366,562)
<b>Balance at March 31, 2025</b>	<b>1,153,122</b>
<b>Classified as current</b>	<b>116,403</b>
<b>Classified as non-current</b>	<b>1,036,719</b>

When measuring the lease liability, the Company discounted lease payments using its incremental borrowing rate of 3.45% for lease agreements entered before 2023 and using its incremental borrowing rate of 9.95% to value the office lease entered during the year.

During the year ended March 31, 2025, rent expense related to an office premises lease, which was exempt from lease accounting due to its short-term nature, was \$28,164 (fifteen months ended March 31, 2024 - \$134,166). The rent expense associated with this lease is included within office and general in profit or loss.

### 10 Loans Payable

	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Pursuant to the Share Purchase Agreement to acquire Imagine Health, the Company issued a secured vendor take-back note with a principal amount of \$800,000 payable in installments of 6, 12 and 18 months from the date of issuance, with interest charged at a rate of 12% per annum on any amounts unpaid within 30 days of their due date. The note was secured by the assets of Imagine Health (note 15). During the fifteen months ended March 31, 2024, the Company paid \$266,667. During the year ended March 31, 2025, the Company paid and settled the note resulting in a gain on settlement of liabilities of \$253,333.	-	518,995
Related parties, unsecured, non-interest bearing and due on demand (note 13)	<b>15,800</b>	-
Third party loan, unsecured, 18% interest per annum and due on demand. During the year ended March 31, 2025, the Company accrued interest of \$20,952 (fifteen months ended March 31, 2024 - \$Nil).	<b>341,496</b>	
Third party loan, unsecured and 20% interest per annum. Principal of \$20,000 is due on April 7, 2025, \$120,000 is due on August 13, 2024 and \$70,000 is due on September 16, 2025. During the year ended March 31, 2025, the Company accrued interest of \$1,014 (fifteen months ended March 31, 2024 - \$Nil).	<b>196,330</b>	
Third party loans, unsecured, non-interest bearing and due on demand	<b>129,286</b>	-
Less: Current portion of long-term debt	<b>(682,912)</b>	518,995
	<b>-</b>	<b>(518,995)</b>

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

### 11 Marketable Securities

The continuity of marketable securities for the year ended March 31, 2025 and fifteen months ended March 31, 2024 is as follows:

	<b>Justera Health Ltd. \$</b>	<b>New World Solutions Inc. \$</b>	<b>Total \$</b>
<b>Balance, December 31, 2022</b>	353,994	124,349	478,343
Addition	-	225,000	225,000
Disposition	-	(1,326,374)	(1,326,374)
Fair value adjustment for the period	(235,996)	1,652,025	1,416,029
<b>Balance, March 31, 2024</b>	<b>117,998</b>	<b>675,000</b>	<b>792,998</b>
Disposition	-	(543,150)	(543,150)
Fair value adjustment for the year	(58,999)	(131,850)	(190,849)
<b>Balance, March 31, 2025</b>	<b>58,999</b>	<b>-</b>	<b>58,999</b>

During the fifteen months ended March 31, 2024, the Company received 15,000,000 shares of New World in connection with the sale of EVS (note 15) and sold 4,144,937 shares of New World for total proceeds of \$241,783 resulting in a loss of \$1,084,591.

During the year ended March 31, 2025, the Company sold 12,070,000 shares of New World for total proceeds of \$236,577 resulting in a loss of \$306,573.

### 12 Share capital and reserves

#### a) Common shares

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

On February 6, 2025, the Company consolidated its common shares on a 30 old shares into 1 new share basis. Unless otherwise noted, all figures have been retrospectively adjusted in these consolidated financial statements to reflect the share consolidation.

#### For the year ended March 31, 2025:

On May 28, 2024, the Company issued 2,333,333 common shares valued at \$1,050,000 to acquire assets related to Cereal Crunch (note 7).

On July 5, 2024, the Company closed the first tranche of its non-brokered private placement of 1,075,833 units of the Company at a price of \$0.60 per unit for aggregate gross proceeds of \$645,500. Each Unit consists of one common share of the Company ("Share") and one common share purchase warrant ("Warrant"). Each Warrant entitles the holder to acquire one additional Share of the Company at a price of \$1.50 per Share for a period of two years from the date of issuance. The fair value of the Warrants was \$322,750 using the residual method.

On July 30, 2024, the Company closed the second tranche of its non-brokered private placement of 519,016 units of the Company at a price of \$0.60 per unit for aggregate gross proceeds of \$311,409. Each Unit consists of one common share of the Company and one common share purchase warrant. Each Warrant entitles the holder to acquire one additional Share of the Company at a price of \$1.50 per Share for a period of two years from the date of issuance. The fair value of the Warrants was \$155,705 using the residual method.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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On August 19, 2024, the Company closed the final tranche of its non-brokered private placement of 941,667 units of the Company at a price of \$0.60 per unit for aggregate gross proceeds of \$565,000. Each Unit consists of one common share of the Company and one common share purchase warrant. Each Warrant entitles the holder to acquire one additional Share of the Company at a price of \$1.50 per Share for a period of two years from the date of issuance. The fair value of the Warrants was \$282,500 using the residual method.

On November 14, 2024, the Company issued 500,000 common shares valued at \$75,000 to settle the provisions in the amount of \$1,875,000, resulting in a gain of \$1,800,000.

In January 2025, the Company issued 370,000 shares to RSU holders as a result of the vesting of an equal number of RSUs.

In February 2025, the Company issued 383,334 shares to RSU holders as a result of the vesting of an equal number of RSUs.

### For the fifteen months ended March 31, 2024:

During the fifteen months ended March 31, 2024, the Company issued 466,667 common shares for gross proceeds of \$1,090,000 upon exercise of stock options.

During the fifteen months ended March 31, 2024, the Company repurchased 546,350 common shares of the Company for an aggregate amount of \$1,210,677 under the Normal Course Issuer Bid. These common shares were returned to treasury and cancelled.

On February 26, 2024, the Company closed the non-brokered private placement of 1,666,667 units of the Company at a price of \$0.60 per unit for aggregate gross proceeds of \$1,000,000. Each Unit consists of one (1) common share of the Company ("Share") and one (1) common share purchase warrant ("Warrant"). Each Warrant entitles the holder to acquire one additional Share of the Company at a price of \$1.50 per Share for a period of two (2) years from the date of issuance. The fair value of the Warrants was \$Nil using the residual method. In connection with the Private Placement, the Company issued 5,333 broker warrants ("Broker Warrants") on gross proceeds raised by eligible arm's length parties. Each Broker Warrant is exercisable to acquire one Share of the Company at a price of \$1.50 for a period of two (2) years. The fair value of the Broker warrants was \$13,922 calculated using the Black-Scholes option pricing model with an expected life of two years, volatility of 80.03%, risk-free rate of 4.11%, and dividend yield of 0%. Insiders of the Company have participated in the Private Placement by subscribing for 275,000 Units.

### **b) Share options**

The Company's omnibus equity incentive plan (the "Omnibus Plan") is a rolling plan which provides that the Board of Directors may from time to time, in its discretion, and in accordance with applicable policies of the TSX Venture Exchange ("TSXV"), grant options and restricted share units to acquire common shares to directors, officers and employees of the Company and its affiliates and to consultants, consultant companies and management company employees, provided that the common shares that may be reserved for issuance under the Omnibus Plan at any point in time will not be greater than 10% of the then issued and outstanding common shares. Options issued pursuant to the Omnibus Plan will have an exercise price determined by the Board of Directors provided that the exercise price will not be less than the "Discounted Market Price" as defined in the policies of the TSXV. The vesting of the Options is at the discretion of the Board, except in the case of an optionee performing investor relations activities, in which case the Omnibus Plan requires that options vest over a minimum of 12 months with no more than one quarter of such options vesting during any three month period.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

Share options granted by the Company are recorded in “Reserves” in the consolidated statements of financial position as they vest. The following summarizes transactions involving share options issued by the Company:

	Number	Weighted average exercise price \$
<b>Options outstanding at December 31, 2022</b>	<b>90,000</b>	<b>5.40</b>
Options granted	1,150,000	2.40
Options exercised	(466,667)	2.40
Options expired	(240,000)	2.40
<b>Options outstanding at March 31, 2024</b>	<b>533,333</b>	<b>2.40</b>
Options expired	(350,000)	2.40
<b>Options outstanding at March 31, 2025</b>	<b>183,333</b>	<b>2.29</b>
<b>Options exercisable at March 31, 2025</b>	<b>183,333</b>	<b>2.29</b>

As at March 31, 2025, the weighted average remaining contractual life of the outstanding exercisable stock options is 0.26 (2024 – 1.21) years.

In June 2023, the Company granted 983,333 stock options with an exercise price of \$2.40 expiring on June 9, 2025. The options vested immediately. The fair value was calculated to be \$1,052,338 using the Black-Scholes option pricing model with the following assumptions: (1) expected life of the option: 2 years, (2) expected volatility: 78%, (3) expected dividend yield: 0%, and (4) risk-free interest rate: 4.36%.

In August 2023, the Company granted 166,667 stock options with an exercise price of \$2.10 expiring on August 14, 2025. The options vested immediately. The fair value was calculated to be \$160,857 using the Black-Scholes option pricing model with the following assumptions: (1) expected life of the option: 2 years, (2) expected volatility: 81%, (3) expected dividend yield: 0%, and (4) risk-free interest rate: 4.64%.

During the year ended March 31, 2025, the Company recorded stock-based compensation of \$Nil (fifteen months ended March 31, 2024 - \$1,318,192) related to stock options.

### c) Warrants

	Number	Weighted average exercise price \$
<b>Warrants outstanding at December 31, 2022</b>	<b>2,000,000</b>	<b>7.80</b>
Warrants issued	1,672,000	1.50
Warrants expired	(2,000,000)	7.80
<b>Warrants outstanding at March 31, 2024</b>	<b>1,672,000</b>	<b>1.50</b>
Warrants issued	2,536,515	1.50
<b>Warrants outstanding at March 31, 2025</b>	<b>4,208,515</b>	<b>1.50</b>

On June 18, 2023, a total of 2,000,000 warrants with an exercise price of \$7.80 expired.

On February 26, 2024, the Company issued 1,666,667 share purchase warrants with an exercise price of \$1.50 expiring in 2 years in connection with a non-brokered private placement. In addition, the Company issued 5,333 Broker Warrants under the same terms.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

In July and August 2024, the Company issued 2,536,515 share purchase warrants with an exercise price of \$1.50 expiring in 2 years in connection with a non-brokered private placement.

The weighted average remaining life of the warrants outstanding at March 31, 2025 is 1.16 years (2024 – 1.90 years).

### d) Restricted share units

In January 2024, the Company granted 736,667 restricted share units (“RSU”) in accordance with the Company’s omnibus incentive plan to employees, directors, and consultants of the Company. Each RSU entitles the holder to acquire one Common Share on vesting, and the RSUs vest in 12 months. A total of 366,667 RSUs were cancelled during the period as a result of resignations and terminations of the employment of certain individuals. During the year ended March 31, 2025, the Company recorded share-based compensation of \$147,126 related to the vesting of these RSUs.

In February 2024, the Company granted 416,667 RSUs to employees, directors, and consultants of the Company. Each RSU entitles the holder to acquire one Common Share on vesting, and the RSUs vest 12 months from the date of grant. A total of 33,333 RSUs were cancelled during the period as a result of resignations and terminations of the employment of certain individuals. During the year ended March 31, 2025, the Company recorded share-based compensation of \$199,877 related to the vesting of these RSUs.

	<u>Number</u>
<b>RSUs outstanding at December 31, 2022</b>	-
RSUs issued	<u>1,153,334</u>
<b>RSUs outstanding at March 31, 2024</b>	1,153,334
RSUs exercised	(753,334)
RSUs cancelled	<u>(400,000)</u>
<b>RSUs outstanding at March 31, 2025</b>	<u>-</u>

### 13 Related party transactions and balances

During the year, the Company incurred transactions with related parties, including companies controlled by its senior management and directors of the Company.

#### a) Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities at March 31, 2025 was \$148,265 (2024 - \$12,600) due to officers, directors and/or companies with certain officers and directors in common of the Company.

During the year ended March 31, 2025, the Company recognized a write-off of accounts payable in the total amount of \$291,338 related to certain balances outstanding to a company controlled by a director of the Company and a company with certain officers and directors in common with the Company.

#### b) Trade receivables

Included in trade receivables at March 31, 2025 was \$1,488,038 (2024 - \$Nil) due to a company with certain officers and directors in common of the Company.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

During the year ended March 31, 2025, the Company recognized a write-off of trade receivables in the total amount of \$108,600 related to a balance outstanding to a company with certain officers and directors in common with the Company.

### c) Loans payable

As at March 31, 2025, the Company has a loan payable to New World in an amount of \$15,800 (2024 – loan receivable of \$10,000). The loan is unsecured, non-interest bearing and repayable on demand.

### d) Revenue

During the year ended March 31, 2025, the Company recognized revenue of \$1,405,629 from companies with certain officers and directors in common with the Company.

### e) Compensation of key management personnel

Related parties include key management personnel and others considered to have significant influence or control over the Company's operations. The Company considers key management personnel to include members of the Board of Directors and executive officers of the Company. Compensation to key management personnel is listed below:

	Year ended March 31, 2025		Fifteen months ended March 31, 2024	
	Amount \$	Options vested	Amount \$	Options vested
Short term compensation	607,753	-	795,657	-
Services included in direct costs	-	-	560,000	-
Share-based compensation	156,285	-	884,514	783,333
	<u>764,038</u>	<u>-</u>	<u>2,240,171</u>	<u>783,333</u>

## 14 Fair values of financial instruments

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented below.

Management has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of management is to set policies that seek to minimize risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The Company has established risk management policies and procedures designed to reduce the potentially adverse effects of price volatility on operating results and distributions. Further details regarding these policies are set out below.

### Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments which are potentially subject to credit risk for the Company consists primarily of cash and cash equivalents and trade and loan receivables.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

Credit risk associated with cash and cash equivalents is minimized by ensuring these financial assets are maintained with financial institutions of reputable credit and may be redeemed upon demand. During the year ended March 31, 2025, the Company recorded allowance for expected credit losses relating to trade and loan receivables of \$302,870 (fifteen months ended March 31, 2024 - \$218,848) included as the office and general expenses. The allowance for expected credit losses mainly relates to four customers with balances greater than \$10,000 and is for the full amount of the trade receivables related to those customers, due to a change in the expected lifetime credit losses related to the trade receivables in question. At March 31, 2025, the Company's maximum exposure to risk of loss with respect to these financial instruments is limited to the carrying amounts in the consolidated statement of financial position. The Company's exposure to and management of credit risk has not changed materially from that of the prior year.

The aging of the Company's trade receivables is as follows:

	<b>Less than 30 days \$</b>	<b>30 days to 90 days \$</b>	<b>Over 90 days \$</b>	<b>Total \$</b>
Trade receivables <sup>(1)</sup>	370,382	-	130,694	501,076
Loan receivable	-	-	10,000	10,000
Scientific Research and Experimental Development receivable	-	-	763,361	763,361
<b>At March 31, 2024</b>	<b>370,382</b>	<b>-</b>	<b>904,055</b>	<b>1,274,437</b>
Trade receivables <sup>(2)</sup>	140,200	-	1,553,670	1,693,870
<b>At March 31, 2025</b>	<b>140,200</b>	<b>-</b>	<b>1,553,670</b>	<b>1,693,870</b>

<sup>(1)</sup> The trade receivables are presented net of the allowance for expected credit losses described above of \$218,848, which was recorded against trade receivables primarily over 90 days.

<sup>(2)</sup> The trade receivables are presented net of the allowance for expected credit losses described above of \$302,870, which was recorded against trade receivables primarily over 90 days.

### Liquidity risk

Liquidity risk is the risk the Company will encounter difficult in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure it will have sufficient liquidity to meet operations, tax, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed by management to ensure a sufficient continuity of funding exists. The Company's financial liabilities are comprised of its accounts payable and accrued liabilities and loan payable. The payments for the Company's accounts payable and accrued liabilities are due in less than a year.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

The following table sets out the Company's contractual maturities (representing undiscounted contractual cash flows) of financial liabilities and commitments:

	12 months \$	1 to 2 years \$	Over 2 years \$	Total \$
Accounts payable and accrued liabilities	1,512,902	-	-	1,512,902
Loan payable	518,995	-	-	518,995
Lease liability	504,844	374,903	4,315,509	5,195,256
<b>At March 31, 2024</b>	<b><u>2,536,741</u></b>	<b><u>374,903</u></b>	<b><u>4,315,509</u></b>	<b><u>7,227,153</u></b>
Accounts payable and accrued liabilities	1,328,574	-	-	1,328,574
Loan payable	682,912	-	-	682,912
Lease liability	120,866	75,928	956,328	1,153,122
<b>At March 31, 2025</b>	<b><u>2,132,352</u></b>	<b><u>75,928</u></b>	<b><u>956,328</u></b>	<b><u>3,164,608</u></b>

The Company's exposure to and management of liquidity risk has not changed materially from that of the prior year.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns. Market risk is comprised of interest rate, foreign currency and other price risk. The Company's exposure to and management of market risks has not changed materially from that of the prior year.

#### *Interest rate risk*

Interest rate risk is the risk related to the fair value or future cash payments of interest-bearing financial instruments due to changes in interest rates. The Company is not exposed to market risk from changes in interest rates, as the Company does not have any debt instruments with variable interest rates.

#### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to market risk from changes in foreign exchange rates, in particular the exchange rate between the Canadian Dollar and the Korean Won as Datametrex Korea transactions are denominated in Korean Won, which could affect operating results, financial position and cash flows. The Company is not exposed to a market risk from changes in foreign exchange rates between the Canadian Dollar and the U.S. Dollar as the Company holds minimal cash balance in U.S. Dollar and Korean Won accounts and has minimal trades receivable denominated in U.S. Dollars and Korean Won. The Company manages its exposure to this market risk through its regular operating and financing activities. A 1% change in the exchange rates between the Korean Won or U.S. Dollar and the Canadian Dollar would have an immaterial impact on these consolidated financial statements.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market (other than interest rate risk and foreign currency risk). The Company's exposure to other price risk relates to its investments in marketable securities, which are publicly traded securities subject to market fluctuations of the quoted prices for the securities, which had a fair value at March 31, 2025 of \$58,999 (2024 - \$792,998). Based on the Company's marketable securities as at March 31, 2025, and assuming all other variables remain constant, a 10% increase/decrease in the fair value of marketable securities would result in an increase/decrease of approximately \$6,000 in net income/loss for the year.

### *Fair values of financial instruments*

IFRS 13 - *Fair value measurement*, requires disclosure of a three-level hierarchy ("FV hierarchy") that reflects the significance of the inputs used in making fair value measurements and disclosures. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include those whose valuations are determined using inputs other than quoted prices for which all significant inputs are observable, either directly or indirectly. Level 3 valuations are those based on inputs that are unobservable and significant to the overall fair value measurement.

Cash and cash equivalents, trade and loan receivables, accounts payable and accrued liabilities and loans payable, have relatively short periods to maturity, and as such, the carrying values contained in the consolidated statements of financial position approximate their estimated fair value.

The Company's marketable securities are measured at fair value in the consolidated statement of financial position in accordance with level 1 of the fair value hierarchy.

### **Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from the prior year.

The capital structure of the Company consists of shareholders' equity, which totaled \$656,401 at March 31, 2025 (2024 - \$747,368). The availability of new capital will depend on many factors including positive stock market conditions, results of operations thereby access to suitable debt products, and the experience of management. The Company is not subject to any external covenants on its capital.

## **15 Business acquisitions and disposals**

### **Ronin**

In January 2019, the Company issued a statement of claim in the Ontario Superior Court of Justice against various vendors in connection to the Ronin Blockchain Corp. Transaction ("Ronin Vendors"). Some of the defendants have counterclaimed for shares of the Company allegedly owing under the share purchase agreement, under which the Company acquired Ronin Blockchain Corp. (subsequently dissolved), as well as damages. The action and counterclaim have not proceeded beyond the close of pleadings. On March 12, 2019, the Company entered into a final settlement with a 25% owner of the Ronin Vendors, and issued 2,000,000 common shares in satisfaction of an aggregate of \$100,000 of indebtedness. As at March 31, 2024 and December 31, 2022, claims against the Company from the remaining Ronin Vendors amounted to a balance of \$1,875,000, which is included in "Provisions". During the year ended March 31, 2025, the Company settled the remaining provisions by issuing 500,000 common shares valued at \$75,000 resulting in a gain of \$1,800,000.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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### EVS

In June 2022, the Company completed the acquisition of EVS, an arm's length privately held electric vehicle charging solution company incorporated under the laws of the Province of British Columbia, and issued 2,222,222 common shares (note 12) valued at \$9,333,333. The acquisition of EVS was accounted as an asset acquisition. The purchase price of \$9,333,333 was allocated as follows:

<b>Purchase price</b>	<b>\$</b>	<b>9,333,333</b>
Patents and developed technologies (note 7)	\$	4,272,000
Consideration paid in excess of asset acquired	\$	5,061,333

The Company has accounted for the transaction as an asset acquisition under the scope of IFRS 2, *Share Based Payments*. Consideration consisted entirely of shares of the Company which were measured at the fair value of assets acquired. Management determined the fair value of the patents and developed technologies based on an external valuation. The difference between the fair value of the common shares issued of \$9,333,333 and the fair value attributed to the identifiable intangible assets of \$4,272,000 did not meet the criteria for recognition as an asset and consisted of unidentifiable goods or services, which were recognized at \$5,061,333 in profit or loss.

On November 13, 2023, the Company entered into an agreement related to the sale of EVS to New World. Pursuant to the agreement, New World agreed to acquire EVS for an aggregate purchase price of up to \$3,750,000, contingent upon EVS achieving certain milestones. The Company received 15,000,000 common shares of New World valued at \$225,000 (note 11) and may receive up to an additional \$3,000,000 in Earn-Out Payments contingent upon EVS's fulfillment of certain post-closing performance metrics. The sale resulted in a loss on deconsolidation of \$2,574,937, which included bank indebtedness of \$87,517, trade receivables of \$61,733, intangible assets of \$1,578,931, property and equipment of \$1,112,983, prepaids and other assets of \$154,130 and accounts payable and accrued liabilities of \$20,323.

### Imagine Health

In November 2022, the Company entered into a Share Purchase Agreement under which the Company acquired all of the issued and outstanding shares of Imagine Health located in Calgary, Alberta and Edmonton, Alberta. The purchase price was as follows: cash payment of \$1,300,000 (paid), issuance of 166,667 common shares of the Company (issued) (note 12) and the issuance of a secured vendor take-back note with a principal amount of \$800,000 payable in installments of 6, 12, and 18 months from the date of issuance (the "Note") (note 11). The Note is secured by the assets of Imagine Health. In addition, the Share Purchase Agreement includes a covenant to expand Imagine Health by way of working and growth capital contribution of up to \$1,000,000 to Imagine Health over a period of 12 months from the date of the acquisition.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

In May 2023, the Company obtained control over the operations in both locations and, as such, the acquisition was considered completed. The acquisition was accounted for as a business combination consistent with IFRS 3, *Business Combination*. The preliminary purchase price allocation was as follows:

<b>Purchase price</b>	<b>\$</b>	<b>2,434,731</b>
<b>Assets acquired and liabilities assumed</b>		
Cash and cash equivalents	\$	110,605
Trade and other receivables		181,000
Inventory		158,151
Property and equipment		148,215
Right-of-use asset		1,977,754
Intangible assets		1,150,005
Accounts payable and other liabilities		(481,144)
Lease liability		(1,977,754)
Deferred income taxes		(304,750)
<b>Net asset acquired</b>	<b>\$</b>	<b>962,082</b>
<b>Goodwill</b> (note 7)		<b>1,472,649</b>
<b>Total</b>	<b>\$</b>	<b>2,434,731</b>

### 16 Contingency

A former employee of the Company filed a claim for wrongful dismissal seeking damages aggregating \$135,000. The Company filed a defence and counterclaim denying the claim and counterclaiming for certain losses incurred by the Company. The Company intends to defend the claim vigorously and the outcome of the claim cannot be reasonably estimated at this time. Accordingly, no provision has been recorded for the fifteen months ended March 31, 2024 and for the year ended March 31, 2025.

### 17 Loss on settlement of accounts payable

In July 2023, the Company entered into an agreement with Justera Health Ltd. related to amend the pricing of COVID-19 testing services incurred during 2021 to 2023. This resulted in the Company recording a loss on settlement of \$2,322,582 during the fifteen months ended March 31, 2024.

### 18 Income taxes

#### a) Amounts recognized in profit or loss:

	<b>Year ended March 31, 2025 \$</b>	<b>Fifteen months ended March 31, 2024 \$</b>
<b>Current tax expense – current year</b>	<b>(1,692,306)</b>	<b>(1,549,804)</b>
<b>Deferred tax expense (recovery)</b>	<b>(252,682)</b>	<b>(324,937)</b>
Origination and reversal of temporary differences	-	-
<b>Income tax expense</b>	<b>(1,944,988)</b>	<b>(1,874,741)</b>

# Datametrex AI Limited

Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

## b) Reconciliation of the effective tax rate:

The provision for income taxes differs from the results that would be obtained by applying Canadian Federal and Provincial (Ontario) statutory income tax rates to profit or loss before income taxes. This difference results from the following:

	Year ended March 31, 2025 %	Year ended March 31, 2025 \$	Fifteen months ended March 31, 2024 %	Fifteen months ended March 31, 2024 \$
Profit (loss) before tax		(2,863,254)		(26,020,826)
Expected tax expense (recovery) at statutory tax rate	26.5%	(758,762)	26.5%	(6,895,519)
Tax effect on:				
Non-deductible expenses	12.36%	353,909	17.22%	4,481,126
Change in unrecognized deductible temporary differences	72.71%	(2,081,957)	3.55%	923,962
Other	18.92%	541,822	1.48%	(384,310)
	<u>67.93%</u>	<u>(1,944,988)</u>	<u>7.20%</u>	<u>(1,874,741)</u>

## c) Movement in deferred tax balances:

	Balance – April 1, 2024 \$	Recognized in profit or loss \$	Balance – March 31, 2025 \$
Intangible assets	(252,682)	252,682	-
Deferred income taxes	<u>(252,682)</u>	<u>252,682</u>	<u>-</u>

  

	Balance – January 1, 2022 \$	Recognized in profit or loss \$	Balance – March 31, 2024 \$
Intangible assets	(272,869)	20,187	(252,682)
Deferred income taxes	<u>(272,869)</u>	<u>20,187</u>	<u>(252,682)</u>

In relation to the acquisition of Imagine Health, the carrying value of intangible assets were increased to fair value resulting in a temporary difference. As a result, the Company recognized a deferred tax liability of \$Nil as at March 31, 2025 (2024 - \$252,682).

# Datametrex AI Limited

Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

## d) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profit will be available against which the entities can use the benefits therefrom:

	<b>Gross Amount – March 31, 2025</b>	<b>Tax effect</b>	<b>Gross Amount – March 31, 2024</b>	<b>Tax effect</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Non-capital losses carried forward</b>	<b>7,326,473</b>	<b>1,941,515</b>	7,171,207	1,900,370
<b>Other deductible temporary differences</b>	<b>4,436,860</b>	<b>1,175,768</b>	2,547,513	675,091
	<b><u>11,763,333</u></b>	<b><u>3,117,283</u></b>	<b><u>9,718,720</u></b>	<b><u>2,575,461</u></b>

## e) Non-capital losses carried forward

Non-capital losses for which no deferred tax asset was recognized expire as follows:

	<b>March 31, 2025</b>	<b>Expiry Date</b>	<b>March 31, 2024</b>	<b>Expiry Date</b>
	<b>\$</b>		<b>\$</b>	
<b>Non-capital losses carried forward (Canada)</b>	7,146,322	2035 to 2045	6,981,887	2035 to 2044
<b>Non-capital losses carried forward (Korea)</b>	180,151	2035	189,320	2034

## 19 Discontinued operations

During the year ended March 31, 2025, the Company shut down the operations of IHPharma, IHPhysio and Cereal Crunch mobile game. Since there are no ongoing activities in these operations, the Company has classified them as discontinued operations.

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

	Year ended March 31, 2025 \$	Fifteen months ended March 31, 2024 \$
<b>Revenue</b>		
Health Security	961,823	1,047,854
<b>Direct costs</b>	(733,045)	(603,754)
<b>Gross profit</b>	<u>228,778</u>	<u>444,100</u>
<b>Expenses</b>		
Salaries, benefits and consulting fees	284,420	338,758
Office and general	41,829	63,761
Other operating expenses	6,034	1,617
Depreciation and amortization	<u>227,253</u>	<u>119,727</u>
	559,536	523,863
<b>Loss before undernoted items</b>	(330,758)	(79,763)
Gain on lease termination	10,472	-
Impairment of intangible assets and goodwill	(1,766,243)	-
Write down of inventory	(1,019)	-
Interest and accretion	(5,269)	(19,710)
Write-off of trade receivables	<u>(51,070)</u>	<u>-</u>
<b>Net loss from discontinued operations</b>	<u>(2,143,887)</u>	<u>(99,473)</u>
	<b>Year ended March 31, 2025 \$</b>	<b>Fifteen months ended March 31, 2024 \$</b>
<b>Cash flows provided by operating activities</b>		
Net loss for the period	(2,143,887)	(99,473)
Adjustments to reconcile net loss to operating cash flows		
Depreciation of property and equipment	15,104	13,859
Amortization of intangible assets	208,039	90,798
Amortization of right-of use asset	4,110	15,093
Accretion on lease liability	5,269	19,710
Gain on lease termination	(10,472)	-
Loss on impairment of intangible assets and goodwill	1,766,243	-
Write down of receivables	51,070	-
Write down of inventory	1,019	-
Net change in operating assets and liabilities	<u>117,409</u>	<u>(20,372)</u>
Cash provide by operating activities – discontinued operations	<u>13,904</u>	<u>19,615</u>
<b>Cash flows used in financing activities</b>		
Repayments of lease liability	(7,218)	(26,469)
Cash used in financing activities – discontinued operations	<u>(7,218)</u>	<u>(26,469)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	6,686	(6,854)
<b>Cash and cash equivalents, beginning of period</b>	<u>5,724</u>	<u>12,578</u>
<b>Cash and cash equivalents, end of period</b>	<u>12,410</u>	<u>5,724</u>

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

### 20 Restatement

The consolidated financial statements of the Company as at March 31, 2024 and for the fifteen months ended March 31, 2024 have been restated to reflect the correct accounting treatment for the following items:

- a) Inclusion of an additional office lease contract on 97 Street in Edmonton in relation to the acquisition of Imagine Health resulting in an increase in right-of-use asset and lease liability of \$224,687. The Company recognized accretion on this lease liability of \$19,710, lease payments of \$26,469 and depreciation on this right-of-use asset of \$15,070. Also, the Company recognized additional accretion on other lease liabilities of \$308,565 and a reduction in depreciation on other right-of-use assets of \$43,553.
- b) The Company had estimated its receivable related to Scientific Research and Experimental Development claims submitted to Revenu Quebec which were in the review process as at March 31, 2024. Based on the actual tax incentives subsequently received by the Company, the receivable was overstated resulting in the Company recognizing a write-down of \$157,749.
- c) Due to receiving new information subsequent to the audit report date, the Company adjusted accruals for revenue of \$120,212 related to operations of Imagine Health, revenue of \$71,833 related to operations of Nexalogy, consulting fees of \$70,000, legal fees of \$93,600 and payroll expenses of \$12,429.
- d) The Company incurred certain sales that are classified as zero-rated supplies under GST/HST. As such, the Company decreased GST/HST payable by \$36,939, revenue by \$114,737 and deficit by \$151,676.

These adjustments were considered not material to the overall presentation of the consolidated financial statements in the past. However, the Company elected to restate prior periods due to the decreased level of assets, equity, and operations in the current year.

The following tables presents the effects of the restatement:

#### Statement of Financial Position

	As previously reported	Adjustment	As restated
	\$	\$	\$
Trade and loan receivables	2,177,793	(598)	2,177,195
Right-of-use asset	4,737,582	253,147	4,990,729
Total assets	<u>12,707,974</u>	<u>252,549</u>	<u>12,960,523</u>
Accounts payable and accrued liabilities	1,502,305	10,597	1,512,902
Current portion of lease liability	682,500	(177,656)	504,844
Long-term lease liability	3,986,263	704,149	4,690,412
Total liabilities	<u>11,703,511</u>	<u>509,644</u>	<u>12,213,155</u>
Deficit	<u>(64,780,328)</u>	<u>(257,095)</u>	<u>(65,037,423)</u>
Total shareholders' equity	<u>1,004,463</u>	<u>(257,095)</u>	<u>747,368</u>
Total liabilities and shareholders' equity	<u>12,707,974</u>	<u>252,549</u>	<u>12,960,523</u>

# Datametrex AI Limited

## Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

### Statement of Loss and Comprehensive Loss

	As previously reported	Adjustment	As restated
	\$	\$	\$
AI and Technology	3,780,939	71,833	3,852,772
Health Security	4,940,830	(9,532)	4,931,298
Gross profit	<u>2,417,812</u>	<u>62,301</u>	<u>2,480,113</u>
Salaries, benefits and consulting fees	3,287,221	12,429	3,299,650
Office and general	2,412,474	(26,468)	2,386,006
Professional fees	2,544,874	(23,600)	2,521,274
Depreciation and amortization	3,647,441	(43,530)	3,603,911
Interest and accretion	(86,063)	(308,565)	(394,628)
Interest and other income (expense)	1,388,223	(157,749)	1,230,474
Loss from continuing operations before income taxes	<u>(25,697,982)</u>	<u>(322,844)</u>	<u>(26,020,826)</u>
Income tax recovery	1,847,295	27,446	1,874,741
Net loss from continuing operations	<u>(23,850,687)</u>	<u>(295,398)</u>	<u>(24,146,085)</u>
Net loss from discontinuing operations	(79,700)	(19,773)	(99,473)
Net loss	<u>(23,930,387)</u>	<u>(315,171)</u>	<u>(24,245,558)</u>
Comprehensive loss	<u>(23,961,697)</u>	<u>(315,171)</u>	<u>(24,276,868)</u>

### Statement of Cash Flows

	As previously reported	Adjustment	As restated
	\$	\$	\$
<b>Cash flows used in operating activities</b>			
Net loss for the period	(23,850,687)	(295,398)	(24,146,085)
Adjustments to reconcile net loss to operating cash flows			
Amortization of right-of use asset	799,647	(43,553)	756,094
Accretion on lease liability	35,428	308,565	343,993
Net change in operating assets and liabilities	<u>(1,360,587)</u>	<u>30,362</u>	<u>(1,330,225)</u>
Cash flows used in operating activities – continuing operations	<u>(7,021,535)</u>	<u>(24)</u>	<u>(7,021,559)</u>
Cash flows used in operating activities – discontinuing operations	<u>(6,878)</u>	<u>26,493</u>	<u>19,615</u>
Cash flows used in operating activities	<u>(7,028,413)</u>	<u>26,469</u>	<u>(7,001,944)</u>
<b>Cash flows used in financing activities</b>			
Repayments of lease liability	<u>(900,378)</u>	<u>(26,469)</u>	<u>(926,847)</u>
Cash flows used in financing activities – discontinuing operations	-	(26,469)	(26,469)

## 21 Subsequent events

In June 2025, the Company completed the acquisition of all of the issued and outstanding shares of Arbutus Health and Wellness Inc. (“Arbutus Health”), a multidisciplinary medical clinic in Vancouver, BC. The acquisition of Arbutus Health was completed by way of share exchange agreement between the Company, Arbutus Health and the shareholders of Arbutus Health, pursuant to the Company acquiring 100% of the issued and outstanding shares of Arbutus Health in exchange for an aggregate of 11,000,000 common shares of the Company.

# **Datametrex AI Limited**

Notes to Consolidated Financial Statements

For the year ended March 31, 2025 and fifteen months ended March 31, 2024

(Canadian dollars)

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In June 2025, the Company announced a non-brokered private placement of up to 37,500,000 common shares of the Company at a price of \$0.08 per share for gross proceeds of up to \$3,000,000. In connection the private placement, the Company may pay finders' fees of up to 10% cash and 10% broker warrants. The Company applied for an extension for the closing of the non-brokered private placement subject to the approval of the TSX Venture Exchange.