



Hypercharge Networks Corp.

Condensed Consolidated Interim Financial Statements

For the three- and nine-months ended December 31, 2024
and 2023

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

	Note	December 31, 2024 (Unaudited)	March 31 2024 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents		\$ 1,489,682	\$ 2,497,063
Accounts receivable	5	2,292,934	1,464,562
Current portion of lease receivable		-	33,415
Prepaid expenses and other current assets		801,027	742,535
Inventory	6	519,627	806,038
		5,103,270	5,543,613
Non-Current assets			
Property and equipment	7	203,736	214,640
Right-of-use assets	8	123,871	242,424
		327,607	457,064
Total assets		\$ 5,430,877	\$ 6,000,677
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 3,231,392	\$ 1,591,291
Current portion of deferred revenue		1,052,964	440,608
Current portion of lease liabilities	8	121,855	173,368
Holdbacks payable		-	10,203
		4,406,211	2,215,470
Non-Current liabilities			
Deferred revenue		190,766	200,941
Lease liabilities	8	-	79,161
		190,766	280,102
Total liabilities		4,596,977	2,495,572
EQUITY			
Share capital	9	23,091,591	22,659,575
Warrants reserve	9	1,944,425	2,118,149
Share-based payment reserve	9	1,041,416	1,307,173
Obligation to issue shares	9	229,800	-
Accumulated other comprehensive loss		(20,159)	(3,575)
Accumulated deficit		(25,453,173)	(22,576,217)
Total shareholders' equity		833,900	3,505,105
Total liabilities and equity		\$ 5,430,877	\$ 6,000,677
Going concern	1		
Commitments and contingency	10		
Subsequent events	19		

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

Hypercharge Networks Corp.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

	Note	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Revenue	15	\$ 4,978,951	\$ 581,822	\$ 7,255,643	\$ 2,004,629
Cost of sales	16	(3,910,027)	(403,164)	(5,520,110)	(1,305,392)
Gross profit		1,068,924	178,658	1,735,533	699,237
Operating Expenses					
General and administrative	17	835,598	1,846,778	3,077,668	5,156,110
Sales and marketing	17	323,531	566,295	1,149,321	1,492,941
Research and development	17	249,814	227,006	627,473	539,906
Total Operating Expenses		1,408,943	2,640,079	4,854,461	7,188,957
Operating loss		(340,019)	(2,461,421)	(3,118,928)	(6,489,720)
Other expenses (income)					
Foreign exchange (gain) loss		4,804	11,009	7,810	10,934
Interest income, net	8	(5,210)	(43,561)	(45,459)	(85,963)
Other income		(386)	(737)	(1,339)	(1,653)
Total other expenses (income)		(792)	(33,289)	(38,988)	(76,682)
Net loss		\$ (339,2275)	\$ (2,428,132)	\$ (3,079,940)	\$ (6,413,038)
Other comprehensive income:					
Cumulative translation difference		(17,299)	2,760	(16,584)	3,322
Comprehensive loss		(356,526)	\$ (2,425,372)	(3,096,524)	(6,409,716)
Basic and diluted loss per share		\$ (0.01)	\$ (0.04)	\$ (0.04)	\$ (0.09)
Weighted average number of shares outstanding - basic and diluted		70,705,205	68,988,938	70,575,806	67,584,066

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

	Note	Share capital	Share-based payment reserve	Warrant reserve	Obligation to issue shares	Accumulated other comprehensive income	Deficit	Total shareholders' equity
Balance, March 31, 2023		\$ 17,245,008	\$ 969,544	\$ 721,002	\$ 168,400	\$ -	\$ (14,600,366)	\$ 4,503,588
Common shares issued	9	5,000,000	-	-	-	-	-	5,000,000
- Issuance cost - cash		(80,564)	-	-	-	-	-	(80,564)
- Issuance cost - advisory warrants		(1,665,671)	-	1,665,671	-	-	-	-
Share-based payments	9 & 11	-	1,408,760	267,277	-	-	-	1,676,037
Stock options exercised	12	194,430	(74,430)	-	-	-	-	120,000
Warrants exercised	9	1,041,564	-	(579,153)	-	-	-	462,411
Performance Share Units Vested	9	43,679	(92,501)	-	28,900	-	-	(19,922)
Restricted Share Units Vested	9	489,741	(606,596)	-	-	-	-	(116,855)
Net loss		-	-	-	-	-	(6,413,038)	(6,413,038)
Other comprehensive loss		-	-	-	-	3,322	-	3,322
Balance, December 31, 2023		<u>\$ 22,268,187</u>	<u>\$ 1,604,777</u>	<u>\$ 2,074,797</u>	<u>\$ 197,300</u>	<u>\$ 3,322</u>	<u>\$ (21,013,404)</u>	<u>\$ 5,134,979</u>

	Note	Share capital	Share-based payment reserve	Warrant reserve	Obligation to issue shares	Accumulated other comprehensive loss	Deficit	Total shareholders' equity
Balance, March 31, 2024		\$ 22,659,575	\$ 1,307,173	\$ 2,118,149	\$ -	\$ (3,575)	\$ (22,576,217)	\$ 3,505,105
Share-based payments	9 & 11	-	435,242	2,156	-	-	-	437,398
Performance Share Units Vested	9	123,889	(133,031)	-	-	-	-	(9,142)
Restricted Share Units Vested	9	308,127	(551,070)	-	229,800	-	-	(13,143)
Transfer on forfeiture of stock options		-	(16,898)	-	-	-	16,898	-
Transfer on forfeiture of performance warrants		-	-	(175,880)	-	-	175,880	-
Net loss		-	-	-	-	-	(3,079,940)	(3,079,940)
Other comprehensive loss		-	-	-	-	(16,584)	-	(16,584)
Balance, December 31, 2024		<u>\$ 23,091,591</u>	<u>\$ 1,041,416</u>	<u>\$ 1,944,425</u>	<u>\$ 229,800</u>	<u>\$ (20,159)</u>	<u>\$ (25,463,379)</u>	<u>\$ 823,694</u>

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

Hypercharge Networks Corp.Condensed Consolidated Interim Statements of Cash Flows
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

	Note	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Cash provided by (used in):			
Operating activities:			
Net loss		\$ (3,079,940)	\$ (6,413,038)
Items not involving cash:			
Share-based payments	9 & 11	437,398	1,676,039
Depreciation and amortization	7 & 8	214,052	182,852
Non-cash interest, net	8	6,918	19,944
Changes in non-cash working capital items:			
Accounts receivable		(826,525)	(82,038)
Inventory		286,411	334,331
Prepaid expenses and other current assets		(57,038)	320,883
Accounts payable and accrued liabilities		1,613,378	182,708
Holdbacks payable		-	-
Deferred revenue		602,377	234,314
Net cash used in operating activities		(802,609)	(3,544,005)
Investing activities:			
Lease payments received		38,025	114,075
Purchase of equipment	7	(83,917)	(162,097)
Net cash (used in) provided by investing activities		(45,892)	(48,022)
Financing activities:			
Common shares issued for cash, net of cash transaction costs	9	-	4,919,436
Proceeds of warrant exercises	9	-	462,411
Proceeds of stock option exercises	9	-	120,000
Repayments of lease liability	8	(142,200)	(231,433)
Net cash (used in) provided by financing activities		(142,200)	5,270,414
(Decrease) increase in cash flows		(1,019,264)	1,678,387
Net foreign exchange difference		11,883	3,105
Cash and cash equivalents, beginning of the period		2,497,063	2,686,157
Cash and cash equivalents, end of the period		\$ 1,489,682	\$ 4,367,649
Supplemental cash flow information	18		

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

Hypercharge Networks Corp.

Notes to the Condensed Consolidated Interim Financial Statements
For the three- and nine-months ended December 31, 2024 and 2023
(EXPRESSED IN CANADIAN DOLLARS)
(Unaudited)

1. Entity Information

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

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

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

Concerns about global economic and financial fragmentation have intensified in recent years amid rising geopolitical tensions. The regional conflicts may negatively impact other regional and global economic markets, sectors, industries and markets for securities and commodities globally. The current circumstances are dynamic and the duration of the conflicts and related impact of imposed sanctions on the business cannot be reasonably estimated at this time. While the Company expects any direct impacts of the conflicts to the business to be limited, the direct impacts on the economy may negatively affect the business and future operations.

2. Material accounting policies*(a) Statement of compliance*

These Interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and note disclosure normally included in annual financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") have been omitted or condensed, and therefore these Interim Financial Statements should be read in conjunction with the Company's March 31, 2024, audited annual financial statements and the notes to such financial statements. Certain comparative figures have been reclassified to conform with current period presentation.

These Interim Financial Statements for the three- and nine-months ended December 31, 2024 were authorized for issue by the board of directors of the Company ("Board") on February 25, 2025.

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(b) New accounting pronouncements

The following accounting standards and amendments issued by the IASB were adopted during the three and nine-months ended December 31, 2024:

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS 1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2024. There was no impact to the Interim Financial Statements as a result of the adoption of these amendments.

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

IFRS 18 Presentation and Disclosure in Financial Statements

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

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

These new standards are effective for reporting periods beginning on or after January 1, 2027. The Company will be evaluating the impact of the above amendments on its financial statements.

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5. Accounts Receivable

As at	December 31, 2024	March 31 2024
Trade accounts receivable	\$ 2,523,734	\$ 1,443,302
GST/HST receivable	55,499	28,512
Interest receivable	3,488	1,488
Other receivables	19,848	229,025
	\$ 2,602,569	\$ 1,702,327
Loss allowance	(309,635)	(237,765)
	\$ 2,292,934	\$ 1,464,562

During the nine months ended December 31, 2024 and year ended March 31, 2024, the movement of the Company's loss allowance recorded in office and administrative expenses is as follows:

As at	December 31, 2024	March 31 2024
Balance, beginning of period	\$ 237,765	\$ 351,804
Provision for loss allowance recognized (recovered)	71,870	(114,039)
Balance, end of period	\$ 309,635	\$ 237,765

6. Inventory

The Company's inventory consists of EV chargers and components available for sale to customers. During the nine months ended December 31, 2024, the Company recorded \$5,520,110 of inventory as an expense of cost of goods sold (2023 - \$1,305,392).

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7. Property and equipment

Cost	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
March 31, 2023	\$ 28,405	\$ 24,205	\$ 68,402	\$ 68,071	\$ 189,083
Additions	17,984	13,719	-	156,834	188,537
Movement in foreign exchange	28	-	-	68	96
March 31, 2024	\$ 46,417	\$ 37,924	\$ 68,402	\$ 224,973	\$ 377,716
Additions	386	6,809	-	76,722	83,917
Disposals	-	-	(68,402)	-	(68,402)
Movement in foreign exchange	134	-	-	746	880
December 31, 2024	\$ 46,937	\$ 44,733	\$ -	\$ 302,4418	\$ 394,111

Accumulated Depreciation	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
March 31, 2023	\$ 9,223	\$ 3,155	\$ 35,353	\$ 21,231	\$ 68,962
Additions	13,084	6,199	26,181	48,640	94,104
Movement in foreign exchange	9	-	-	1	10
March 31, 2024	\$ 22,316	\$ 9,354	\$ 61,534	\$ 69,872	\$ 163,076
Additions	11,203	6,239	6,868	71,189	95,499
Disposals	-	-	(68,402)	-	(68,402)
Movement in foreign exchange	59	-	-	142	201
December 31, 2024	\$ 33,578	\$ 15,593	\$ -	\$ 141,203	\$ 190,374

Net book value	Computer equipment	Furniture and equipment	Leasehold Improvements	Charging equipment and demo units	Total
December 31, 2024	\$ 13,359	\$ 29,141	\$ -	\$ 161,237	\$ 203,737
March 31, 2024	\$ 24,101	\$ 28,570	\$ 6,868	\$ 155,101	\$ 214,640

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

		Buildings
Balance, March 31, 2023	\$	400,494
Depreciation		(158,070)
Balance, March 31, 2024	\$	242,424
Depreciation		(118,553)
December 31, 2024	\$	123,871

(b) Lease liabilities

As of	December 31, 2024		March 31 2024
Current	\$	121,855	\$ 173,368
Non-current		-	79,161
	\$	121,855	\$ 252,529

During the nine months ended December 31, 2024, the Company recorded interest expense of \$11,528 (2023 - \$27,065) associated with interest on lease liabilities. The Company has entered into contracts for office and commercial use spaces, of which the terms end between 2024 and 2025. During the nine months ended December 31, 2024, the lease liability has been measured by discounting future non-cancellable payments using incremental borrowing rates ranging from 7.8% - 9.3% (2023 – 7.8% – 9.3%).

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9. Share capital*(a) Authorized*

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

(b) Issued

As at December 31, 2024, there were 71,061,649 (March 31, 2024 – 70,396,834) Common Shares issued and outstanding.

	Number of Common shares		Share Capital
Balance, March 31, 2023	61,916,325	\$	17,245,008
Common shares issued, net of share issue costs	4,761,904		3,253,765
Performance share units vested	807,113		212,477
Stock options exercised	255,000		194,430
Restricted share units vested	1,582,802		753,164
Warrants exercised	1,073,690		1,000,731
Balance, March 31, 2024	70,396,834		22,659,575
Performance share units vested	181,670		123,889
Restricted share units vested	483,145		308,127
Balance, December 31, 2024	71,061,649	\$	23,091,591

During the nine months ended December 31, 2024, the Company issued 483,145 Common Shares upon the settlement of 587,708 employee RSUs and 181,670 Common Shares upon the settlement of 278,018 PSUs.

During the nine months ended December 31, 2023, the Company issued 255,000 Common Shares upon the exercise of 255,000 options to purchase Common Shares ("Options") with gross proceeds to the Company of \$120,000. The weighted average share price at the date of exercise was \$1.77.

During the nine months ended December 31, 2023, the Company issued 1,073,690 Common Shares upon the exercise of 1,073,690 warrants with gross proceeds to the Company of \$462,411.

During the nine months ended December 31, 2023, the Company issued 131,445 Common Shares upon the net settlement of 151,000 PSUs during the period.

During the nine months ended December 31, 2023, the Company issued 1,002,249 Common Shares upon the vesting of 1,254,999 restricted share units ("RSUs") during the period.

On May 17, 2023, the Company closed a non-brokered private placement financing (the "LIFE Financing") of units of the Company (each, a "Unit") through the issuance of 4,761,904 Units at a price of \$1.05 per Unit, for aggregate gross proceeds to the Company of approximately \$5,000,000. Each Unit is comprised of one Common Share and one-half of one Common Share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant is exercisable into one Common Share at a price of \$1.35 for a period of three (3) years from the date of issuance. The Company incurred share issuance costs of \$80,564 associated with the LIFE Financing and issued 2,380,952 Warrants with a value of \$nil calculated using the residual value method. 2,000,000

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previously granted advisory warrants (as discussed in Note 9(c)) vested immediately upon closing with a vesting date fair value of \$1,665,671, which was recorded as a share issuance cost.

*(c) Warrants**(i) Non-performance warrants*

The non-performance warrant continuity schedule is as follows:

	Nine months ended December 31, 2024		Nine months ended December 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of the period	2,380,952	\$ 0.12	665,357	\$ 0.54
Granted	-	-	2,380,952	1.35
Exercised	-	-	(665,357)	(0.54)
Balance, end of the period	2,380,952	\$ 0.12	2,380,952	\$ 1.35
Warrants exercisable, end of the period	2,380,952	\$ 0.12	2,380,952	\$ 1.35

Details of the Company's non-performance warrants outstanding as at December 31, 2024 are as follows:

Exercise price	Number of warrants outstanding	Expiry date
\$0.12	2,380,952	May 17, 2026

The weighted average remaining contractual life of the non-performance warrants outstanding at December 31, 2024, excluding the non-performance warrants without a fixed expiry date is 1.37 years (March 31, 2024 – 2.13 years).

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(ii) Performance warrants

The performance warrant continuity schedule is as follows:

	Nine months ended December 31, 2024		Nine months ended December 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of the period	6,221,667	\$ 0.35	6,630,000	\$ 0.31
Granted	-	-	-	-
Exercised	-	-	(408,333)	(0.25)
Expired, Forfeited or cancelled	(2,080,000)	(0.25)	-	-
Balance, end of the period	4,141,667	\$ 0.35	6,221,667	\$ 0.35
Warrants exercisable, end of the period	3,121,667	\$ 0.33	2,541,667	\$ 0.29

Details of the Company's performance warrants outstanding at December 31, 2024 are as follows:

Exercise price	Number of warrants outstanding	Expiry date
\$ 0.25	1,591,667	May 17, 2025
\$ 0.40	1,500,000	May 13, 2027
\$ 0.60	1,050,000	September 28, 2027
	4,141,667	

Details of the performance warrants exercisable at December 31, 2024 are as follows:

Exercise price	Number of warrants exercisable	Expiry date
\$ 0.25	1,591,667	May 17, 2025
\$ 0.40	1,500,000	May 13, 2027
\$ 0.60	30,000	September 28, 2027
	3,121,667	

The weighted average remaining contractual life of the performance warrants exercisable as at December 31, 2024 is 1.35 years (March 31, 2024 is 2.00 years).

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

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Exercise life	2.74 - 3.24 years	2.00 - 4.25 years
Expected volatility	80.19% - 83.00%	74.31% - 91.31%
Risk-free rate	2.74% - 3.83%	3.68% - 4.21%
Dividend yield	-	-
Underlying share price	\$ 0.075 - 0.12	\$ 0.18 - 1.15
Exercise price	\$ 0.25 - 0.60	\$ 0.25 - 0.60

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

Advisory warrants

On August 3, 2021, the Company granted 2,000,000 advisory warrants to an advisor in consideration of completing a future financing transaction. The advisory warrants vested upon the completion of the LIFE Financing, whereby the Company obtained listing on a Canadian stock exchange and conducted a subsequent offering to raise a minimum of \$5,000,000. The advisory warrants provide the holder with the opportunity to exercise one (1) warrant for one (1) Common Share at an exercise price of \$0.25 per Common Share for a period of two years from the vesting date. The Company has accounted for the transaction in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative fair value represents the best available estimate of the equity instruments expected to vest as at each reporting date. The advisory warrants vested on May 17, 2023, upon the closing of the LIFE Financing, and as a result, the fair value component of the warrants, \$1,665,671, was recorded as a share issuance cost during the year ended March 31, 2024.

Collaboration warrants

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

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The Company has accounted for the Target Park Agreement in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative expense recorded represents the best available estimate of the equity instruments expected to vest as at December 31, 2024 and March 31, 2024. During the nine months ended December 31, 2024, the Company recorded share-based payment expense of \$1,414 (2023 - \$26,793) relating to the share-based payment component of the Target Park Agreement.

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

CoSource Performance Warrants

On May 13, 2022, the Company acquired all of the issued and outstanding shares of CoSource Information Technology Service Inc. (the "CoSource Acquisition"). The CoSource Acquisition was a related party transaction under International Accounting Standard (IAS) 24. Pursuant to the CoSource Acquisition, the Company issued 1,500,000 performance warrants (the "CoSource Performance Warrants") to the Company's Chief Executive Officer ("CEO"), David Bibby. Each performance warrant is exercisable into one (1) Common Share at a price of \$0.02 per Common Share upon the Company's achievement of certain revenue-based milestones. On August 15, 2022, the Company entered into an amended agreement with its CEO in which the exercise price of the performance warrants was raised to an exercise price of \$0.40 per Common Share.

Due to the terms of the CoSource Acquisition requiring continued service from the CEO for the CoSource Performance Warrants to vest, the Company has accounted for the CoSource Acquisition in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative expense recorded represents the best available estimate of the equity instruments expected to vest as at December 31, 2024 and March 31, 2024. During the nine months ended December 31, 2024, the Company recorded share-based payment expense of nil (2023 - \$229,198) relating to the share-based payment component of the CoSource Acquisition.

Consultant warrants

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

The Company has accounted for the aforementioned transaction in accordance with IFRS 2 as a share-based payment with a performance condition, and the cumulative expense recorded represents the best available estimate of the equity instruments expected to vest as at December 31, 2024 and March 31, 2024. During the nine months ended December 31, 2024, the Company recorded share-based payment expense of \$742 (2023 - \$11,286) relating to the share-based payment component of this arrangement.

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(d) Options

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

During the nine months ended December 31, 2024, the Company recorded stock-based compensation of \$73,707 (2023 - \$310,720).

The Option continuity schedule for the nine months ended December 31, 2024 and 2023 is as follows:

	Nine months ended December 31, 2024		Nine months ended December 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	3,500,721	\$ 0.43	2,855,721	\$ 0.41
Granted	810,205	0.11	1,170,000	0.60
Exercised	-	-	(255,000)	(0.47)
Forfeited or cancelled	(50,000)	(1.31)	-	-
Balance, end of period	4,260,926	\$ 0.36	3,770,721	\$ 0.46
Options exercisable, end of period	3,255,323	\$ 0.41	2,765,859	\$ 0.40

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The following is a summary of the outstanding Options at December 31, 2024:

Exercise price	Number outstanding	Weighted average remaining contractual life	Number exercisable	Weighted average remaining vesting period
\$ 0.08	575,000	3.91 years	-	1.15 years
\$ 0.12	50,000	4.69 years	-	0.94 years
\$ 0.13	20,000	4.45 years	-	1.95 years
\$ 0.22	165,205	4.28 years	32,602	1.38 years
\$ 0.25	1,250,000	1.49 years	1,250,000	-
\$ 0.27	120,000	3.88 years	60,000	0.16 years
\$ 0.40	335,000	0.18 years	335,000	-
\$ 0.50	200,000	1.02 years	200,000	-
\$ 0.54	800,000	3.78 years	650,000	0.53 years
\$ 0.58	421,721	0.93 years	421,721	-
\$ 0.60	324,000	0.68 years	306,000	1.01 years
	4,260,926		3,255,323	

The fair value of the Options granted during the nine months ended December 31, 2024 and 2023 were estimated using the following Black-Scholes Model assumptions:

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Expected life	4 - 5 years	5 years
Expected volatility ^(*)	84.51% - 88.20%	84.76% - 93.62%
Risk-free rate	2.73% - 3.69%	2.85% - 4.25%
Dividend yield	-	-
Underlying share price	\$ 0.08 - 0.22	\$ 0.18 - 2.70
Exercise price	\$ 0.08 - 0.22	\$ 0.18 - 2.70

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

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(e) PSUs

During the nine months ended December 31, 2024, the Company recorded expense of \$77,474 (2023 - \$251,798) for the PSUs issued to employees.

Set out below is a reconciliation of the changes in the PSUs as at December 31, 2024 and March 31, 2024:

	# of awards		
	Employee	Contractor	Total
Balance, March 31, 2023	410,000	666,668	1,076,668
Granted	435,000	1,050,000	1,485,000
Vested	(160,000)	(666,668)	(826,668)
Cancelled	-	(50,000)	(50,000)
Balance, March 31, 2024	685,000	1,000,000	1,685,000
Granted	916,674	-	916,674
Vested	(278,018)	-	(278,018)
Forfeited	(64,482)	-	(64,482)
Balance, December 31, 2024	1,259,174	1,000,000	2,259,174

The Company's PSUs include a net settlement feature under which the Company, upon request of the holder, may withhold a portion of the Common Shares to settle the tax obligations of the employee.

(f) RSUs

During the nine months ended December 31, 2024, the Company recorded expense of \$284,061 associated with the service cost of RSUs (2023 - \$846,242).

Set out below is a reconciliation of the changes in the RSUs as at December 31, 2024 and March 31, 2024:

	# of awards		
	Employee	Contractor	Total
Balance, March 31, 2023	1,925,000	375,000	2,300,000
Granted	1,120,000	-	1,120,000
Vested	(1,544,166)	(375,000)	(1,919,166)
Forfeited	(243,125)	-	(243,125)
Balance, March 31, 2024	1,257,709	-	1,257,709
Granted	488,493	-	488,493
Vested	(1,074,375)	-	(1,074,375)
Balance, December 31, 2024	671,827	-	671,827

On May 10, 2024, the Company granted 5,000 RSUs to an employee of the Company. Each RSU is exchangeable for one (1) Common Share, vesting on May 10, 2025.

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On April 12, 2024, the Company granted 483,493 RSUs to directors of the Company. Each RSU is exchangeable for one (1) Common Share, vesting on April 12, 2025.

The Company's RSUs include a net settlement feature under which the Company, upon request of the holder, may withhold a portion of the shares to settle the tax obligations of the employee. During the nine months ended December 31, 2024, the Company net settled 471,875 RSUs (2023 – 771,666) by withholding the number of shares with a fair value equal to the monetary value of the employees' tax obligations and issued only the remaining shares upon completion of the vesting period. During the nine months ended December 31, 2024, the Company withheld 104,563 RSUs with a fair value of \$13,142 to settle the employees' tax obligations (2023 – 252,750 RSUs withheld with a fair value of \$116,855). As at December 31, 2024, the Company recorded an obligation to issue shares of \$229,800 associated with 486,687 net settled RSUs in which the shares had not been issued.

(g) Reserves

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

10. Commitments

As at December 31, 2024, the Company has committed to the following undiscounted minimum lease payments:

Year ended March 31:		
2025	\$	44,878
2026		80,910
Total	\$	125,788

11. Related party transactions

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

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

	Nine months ended December 31, 2024		Nine months ended December 31, 2023	
Wages and benefits	\$	599,572	\$	404,057
Share-based payments		312,852		1,197,299
Balance end of period	\$	912,424	\$	1,601,356

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12. Management of Capital

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

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

13. Financial Instruments

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

As at	December 31, 2024	March 31 2024
Financial assets at fair value		
Cash and cash equivalents	\$ 1,489,682	\$ 2,497,063
Financial assets at amortized cost		
Trade accounts, interest and other receivable	2,237,435	1,436,050
Lease receivable	-	33,415
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	\$ (3,231,392)	\$ (1,591,291)
Lease liabilities	(121,855)	(252,529)
Holdbacks payable	-	(10,203)
	\$ 373,870	\$ 2,112,505

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

The Company's cash and cash equivalent and cash held in escrow are valued using level one inputs.

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

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Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents, accounts receivable, and lease receivable. Credit risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. As at December 31, 2024, there were three customers with an amount outstanding exceeding 10% of the Company's trade accounts receivable that totaled 72% in aggregate (Customer A – 47%; Customer B – 14%; Customer C – 11%). As at March 31, 2024, there were two customers with amounts outstanding that exceed 10% of the Company's trade accounts receivable that totaled 57% in aggregate (Customer A – 43%; Customer B – 14%). The Company assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital markets is hindered. At December 31, 2024, the Company's liquidity ratio indicates that current assets are sufficient to meet its current liabilities. Notwithstanding external financing options, efforts to collect outstanding accounts receivable as well as collect deposits on sales orders are keys to increasing the Company's liquidity. Company assessed liquidity risk as low.

Foreign exchange risk

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

Interest rate risk

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

14. Segmented reporting

The Company operates in a single segment, the sale of EV charging equipment, software, services and maintenance contracts. During the nine months ended December 31, 2024, the Company recognized 69% of its revenue from 2 customers (Customer A - 57%, Customer B – 12%). During the nine months ended December 31, 2023, the Company recognized 30% of its revenue from one customer. The Company's right-of-use assets are located in Canada. As of December 31, 2024, the Company had property and equipment of \$192,694 in Canada, and \$11,042 in the United States. As of March 31, 2024, the Company had property and equipment of \$202,149 in Canada and \$12,491 in the United States. All of the Company's customers are located within North America. During the nine months ended December 31, 2024, \$7,189,218 of the revenue incurred in Canada (2023 - \$1,998,479) and \$66,425 of the revenue incurred in the United States (2023 – \$6,150)

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15. Revenue

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
EV charging equipment	\$ 6,829,326	\$ 1,675,573
Installation	40,794	172,364
SaaS	164,560	73,973
Other	220,963	82,719
	\$ 7,255,643	\$ 2,004,629

16. Cost of sales

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
EV charging equipment	\$ 5,271,967	\$ 1,020,503
Installation	20,651	159,629
SaaS	93,377	43,427
Other revenue	134,115	81,833
	\$ 5,520,110	\$ 1,305,392

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17. Expenses

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
General and administrative		
Consulting and professional fees	\$ 1,175,597	\$ 2,274,843
Wages and benefits	460,972	521,172
Share-based payments	437,396	1,676,039
Office and administration	789,649	501,204
Depreciation and amortization	214,052	182,852
	\$ 3,077,666	\$ 5,156,110
Sales and marketing		
Wages and benefits	\$ 846,292	\$ 1,220,038
Consulting and professional fees	37,175	-
Advertising and promotional	220,435	239,564
Shipping	45,418	33,339
	\$ 1,149,320	\$ 1,492,941
Research and development		
Wages and benefits	\$ 485,175	\$ 333,041
Product design	-	81,668
Consulting and professional fees	142,298	125,197
	\$ 627,473	\$ 539,906

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18. Supplemental cash flow information

	March 31, 2024	Cash flows from financing activities	Non-cash adjustments		December 31, 2024
			Additions	Accretion	
Lease liabilities	\$ 252,529	\$ (142,200)	\$ -	\$ 11,526	\$ 121,855
	\$ 252,529	\$ (142,200)	\$ -	\$ 11,526	\$ 121,855

	March 31, 2023	Cash flows from financing activities	Non-cash adjustments		December 31, 2023
			Additions	Accretion	
Lease liabilities	\$ 529,293	\$ (231,433)	\$ -	\$ 27,065	\$ 324,925
	\$ 529,293	\$ (231,433)	\$ -	\$ 27,065	\$ 324,925

During the nine months ended December 31, 2024, the Company paid interest of nil (2023 – nil) and income taxes of nil (2023 – nil).

Components of cash and cash equivalents at December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Cash	\$ 1,439,682	\$ 3,137,463
Cash equivalents	50,000	1,230,186
Cash and cash equivalents	\$ 1,489,682	\$ 4,367,649

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19. Subsequent events

Subsequent to December 31, 2024, changes in the Company's equity awards are as follows:

- Issuance of 226,300 Common Shares to net settle 486,667 RSUs vested.