

METATEK-GROUP LTD

Unaudited Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2026 and 2025

METATEK-GROUP LTD

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For the three and six months ended June 30, 2026 and 2025

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METATEK-GROUP LTD
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at
(Expressed in thousands of US dollars)

	Notes	June 30, 2026	December 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents		\$ 11,894	\$ 1,400
Trade and other receivables	6	2,345	4,742
Contract assets	5	2,531	825
Prepaid expenses		1,917	374
		18,687	7,341
Non-current assets			
Right-of-use assets	7	217	261
Property, plant and equipment	7	24,516	25,254
		\$ 43,420	\$ 32,856
LIABILITIES			
Current liabilities			
Trade and other payables	8	\$ 2,723	\$ 3,960
Contract liabilities	5	-	753
Borrowings	9	510	3,780
Convertible debentures	10	-	32,906
Current portion of lease liabilities	11	68	79
		3,301	41,478
Non-current liabilities			
Borrowings	9	-	2,684
Lease liabilities	11	181	208
Deferred tax liabilities	12	576	1,100
		4,058	45,470
SHAREHOLDERS' EQUITY			
Share capital	13	77,633	12,864
Share-based compensation	14	2,252	1,790
Currency translation reserve		265	158
Accumulated deficit		(40,788)	(27,426)
		39,362	(12,614)
		\$ 43,420	\$ 32,856

Approved by the Board of Directors

Signed "Avjit Kamboj"

Avjit Kamboj, Director

Signed "Mark Davies"

Mark Davies, Director

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

METATEK-GROUP LTD
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

For the periods ended

(Expressed in thousands of US dollars, except share and per share amounts)

	Notes	Three Months Ended		Six Months Ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Revenue	5, 17	\$ 2,793	4,541	\$ 6,868	\$ 8,629
Cost of Sales					
Direct costs		1,669	1,803	3,777	3,465
Personnel costs		116	155	270	337
Total Cost of Sales		1,785	1,958	4,047	3,802
Gross Profit		1,008	2,583	2,821	4,827
Personnel expenses		1,217	834	2,167	1,595
General and administrative expenses		1,271	506	3,384	1,095
Depreciation expense	7	517	318	1,035	647
Total Operating Expenses		3,005	1,658	6,586	3,337
(Loss) income from operations		(1,997)	925	(3,765)	1,490
Finance Costs					
Interest expense	18	20	498	471	995
Costs associated with settlement of term loan		-	-	384	-
Settlement loss on term loan	9	-	-	862	-
Net revaluation loss on convertible debentures and warrants	10	(322)	-	8,404	-
Gain on disposal of right-of-use assets		-	-	-	(8)
Total Finance Costs		(302)	498	10,121	987
Loss before taxation		(1,695)	427	(13,886)	503
Income tax - deferred taxes (recovery)	12	576	-	(524)	-
Net income (loss) for the period		(2,271)	427	(13,362)	503
Other comprehensive income (loss)					
(Gain) loss arising on translation of foreign subsidiaries		(113)	27	(107)	57
Comprehensive income (loss) for the period		\$ (2,158)	\$ 400	\$ (13,255)	\$ 446
Per share amount					
Basic	19	\$ (0.05)	\$ 0.01	\$ (0.33)	\$ 0.02
Diluted	19	\$ (0.05)	\$ 0.01	\$ (0.33)	\$ 0.02

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

METATEK-GROUP LTD
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six month periods ended

(Expressed in thousands of US dollars)

	Notes	Share capital	Share-based compensation	Currency translation reserve	Accumulated deficit	Total shareholders' equity
Balance, December 31, 2024		\$ 12,814	\$ 777	\$ 150	\$ (7,459)	\$ 6,282
Equity settled share-based payments		-	367	-	-	367
Common shares issued to settle term loan financing fee	13b(ii)	50	-	-	-	50
Loss arising on translation of foreign subsidiaries		-	-	(57)	-	(57)
Net income for the period		-	-	-	503	503
Balance, June 30, 2025		\$ 12,864	\$ 1,144	\$ 93	\$ (6,956)	\$ 7,145
Balance, December 31, 2025		\$ 12,864	\$ 1,790	\$ 158	\$ (27,426)	\$ (12,614)
Equity settled share-based payments	14	-	462	-	-	462
Convertible debentures and warrants converted into common shares	10	41,080	-	-	-	41,080
Common shares issued upon completion of IPO, net of issuance costs	13	23,160	-	-	-	23,160
Aggregate value assigned to share capital upon exercise of warrants	13, 15	529	-	-	-	529
Gain arising on translation of foreign subsidiaries		-	-	107	-	107
Net loss for the period		-	-	-	(13,362)	(13,362)
Balance, June 30, 2026		\$ 77,633	\$ 2,252	\$ 265	\$ (40,788)	\$ 39,362

METATEK-GROUP LTD
UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended
(Expressed in thousands of US dollars)

	Notes	Six Months Ended	
		June 30, 2026	June 30, 2025
Operating activities			
Net income (loss) for the period		\$ (13,362)	\$ 503
Adjustments for:			
Deferred tax recovery		(524)	-
Interest expense		471	995
Costs associated with settlement of term loan		384	-
Settlement loss on term loan		862	-
Gain on right-of-use asset		-	(8)
Depreciation of property, plant and equipment		1,035	647
Net revaluation loss on convertible debentures and warrants		8,404	-
Equity settled share-based payments		462	367
Shares issued to settle amounts payable for services received		-	50
Movements in working capital:			
Decrease (increase) in trade and other receivables		2,397	(601)
(Increase) decrease in prepaid expenses		(171)	(124)
(Increase) decrease in contract assets		(1,706)	502
Increase (decrease) in trade and other payables		(1,194)	996
Decrease in contract liabilities		(753)	1,040
Cash flows from (used in) operating activities		(3,695)	4,367
Financing activities			
Issuance of share capital, net of issuance costs	13	23,160	-
Issuance of share capital upon exercise of warrants	15	300	-
Repayment of borrowings		(7,167)	(1,672)
Repayment of bank loans		(6)	(7)
Payments on lease obligations		(39)	(42)
Interest paid		(461)	(1,126)
Cash flows from (used in) financing activities		15,787	(2,847)
Investing activities			
Purchase of property, plant and equipment	7	(253)	(1,063)
Advance payments for property, plant and equipment	7	(1,556)	-
Cash flows used in investing activities		(1,809)	(1,063)
Net change in cash and cash equivalents		10,283	457
Effect of foreign exchange rates		211	120
Cash and cash equivalents			
Beginning of the period		1,400	159
End of the period		\$ 11,894	\$ 736

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

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2026 and 2025

(Expressed in thousands of US dollars)

1 COMPANY INFORMATION

Metatek-Group Ltd (the Company or the Group) was incorporated on January 19, 2023 under the Alberta Business Corporations Act. The registered office is 4600 Eighth Avenue Place East, 525 - 8th Avenue SW, Calgary, AB, Canada, T2P1G1. The Company is listed on the Toronto Stock Exchange and the outstanding common shares trade under the symbol MTEK.

The principal activity of the Group is to provide specialist geoscientific services, focused on subsurface imaging, for a range of national and international operators, as well as governments, in the natural resources and energy transition industries.

On March 25, 2026, the Company completed its initial public offering ("IPO") of common shares and completed an offering of common shares (the "Closing"). Prior to the Closing, the common shares were consolidated on a 2-to-1 basis and the holders of convertible debentures converted all their outstanding debentures and majority of the outstanding warrants into common shares. See Notes 10, 13, 14 and 15, for further details.

2 BASIS OF PREPARATION**(a) Statement of compliance**

These condensed interim consolidated financial statements as at June 30, 2026 and for the three and six months ended June 30, 2026 and 2025 (the "Financial Statements") are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") using the accounting policies the Company adopted in its annual consolidated financial statements as at and for the year ended December 31, 2025, except for the new and amended accounting standards adopted as outlined below in Note 3. Certain disclosures that are normally required to be included in the notes to annual audited financial statements have been condensed or omitted.

These Financial Statements were approved and authorized for issue by the Board of Directors on August 5, 2026.

(b) Basis of consolidation

These Financial Statements include the financial statements of Metatek-Group Ltd and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the Company using consistent accounting policies.

Details of the Company's subsidiaries are as follows:

Nature of undertaking	Country	Class of shares held	% Held Direct
Arabian Geophysical LLC	Egypt	Ordinary	70.00
Metatek Japan KK	Japan	Ordinary	80.00
Bridgeporth Limited	United Kingdom	Ordinary	100.00

All intercompany transactions and balances have been eliminated in the preparation of these Financial Statements.

(c) Non-controlling interest

Non-controlling interests represents the equity in subsidiaries that is not attributable, directly or indirectly, to the shareholders of Metatek-Group Limited. The amount attributable to non-controlling interests is not material individually and has not been disclosed in these Financial Statements.

(d) Basis of presentation

The Company has prepared these Financial Statements on a going concern basis using historical cost, except for financial instruments measured at fair value through profit or loss ("FVTPL"). These Financial Statements are presented in US dollars, which is the presentation currency of the Group and the currency translation reserve represents the cumulative translation adjustments arising from the conversion of the financial statements of the Group's foreign operations into the presentation currency.

(e) Reclassification of prior year presentation

For purposes of preparation of these Financial Statements, reclassified Prepaid expenses balance of \$0.374 million as at December 31, 2025 from "Trade and other receivables" to "Prepaid expenses" as a separate financial statement line in the Statement of Financial Position to align with the nature of this current asset. This reclassification had no effect on previously reported annual audited consolidated financial statements as at and for the year ended December 31, 2025.

3 MATERIAL ACCOUNTING POLICIES

The accounting framework and accounting policies applied in the preparation of these Financial Statements are consistent with the audited annual consolidated financial statements for the year ended December 31, 2025, except as noted below, and should be read in conjunction with those annual financial statements.

The following amendments are effective for the period beginning January 1, 2026:

(a) Derecognition of financial liabilities settled via electronic payment systems

On January 1, 2026, the Group has adopted *Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. These amendments clarified when a financial asset or a financial liability is recognized and derecognized. They also introduced an exception that permits an entity to derecognize a financial liability before the settlement date when the financial liability is settled with cash, using an electronic payment system that meets specified criteria as outlined in these amendments. These amendments apply retrospectively; however, the Group was not required to restate prior periods to reflect their application under the transition provisions.

Adopting these amendments did not result in a change in the accounting policy for the derecognition of financial assets settled with cash via electronic payment systems. The Group's accounting policy of derecognition of financial assets applies equally to trade receivables settled with cash using an electronic payment system. Such receivables are derecognized only upon completion of settlement, i.e., receipt of funds.

The other amendments included in the Amendments to IFRS 9 and IFRS 7 had no material impact on the material accounting policies and the resulting Financial Statements.

(b) Annual Improvements to IFRS Accounting Standards – Volume 11

On January 1, 2026, the Group adopted certain amendments included in the *"Annual improvements to IFRS Accounting Standards - Volume 11"* applicable to its existing financial structure and operations. These adopted amendments had no material impact on these Financial Statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these Financial Statements requires management to make judgments, estimates and assumptions that affect the reported carrying value of assets, liabilities, amount of revenues and expenses recognized, and the disclosure of contingent assets and liabilities that are not readily apparent from other sources. These estimates and judgements concern matters that are inherently complex and uncertain. Judgements and estimates are continually evaluated and are based on historical experience and expectation of future events. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods. The critical accounting estimates and judgements used in the preparation of these Financial Statements are consistent with those critical accounting estimates and judgements as disclosed in the audited consolidated financial statements as at and for the year ended December 31, 2025.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2026 and 2025

(Expressed in thousands of US dollars)

5 CONTRACTS WITH CUSTOMERS

Contracts in progress	June 30, 2026	December 31, 2025
Contract receivables included in trade and other receivables (Note 6)	\$ 2,223	\$ 4,647
Contract assets	2,531	825
Contract liabilities	-	(753)

Contract assets arise when the Group recognises revenue for services transferred to customers before the Group has an unconditional right to consideration.

Contract liabilities represent consideration received from customers in advance of the Group satisfying the related performance obligations.

Other contract assets of \$2.531 million (December 31, 2025: \$0.825 million) and contract liabilities of \$Nil (December 31, 2025: \$0.753 million) primarily arise due to timing differences between billing milestones and the satisfaction of performance obligations on service contracts that straddle financial reporting periods.

For the three and six months ended June 30, 2026, revenue of \$0.097 million and \$0.719 million, respectively were recognized that were included in opening contract liabilities for these periods presented in these Financial Statements. For the three and six months ended June 30, 2025, revenue of \$Nil million and \$1.012 million, respectively were recognized that were included in opening contract liabilities for these periods presented in these Financial Statements.

In accordance with IFRS 15.121, the Group has applied the practical expedient and therefore does not disclose information about remaining performance obligations for contracts with customers that have an original expected duration of one year or less, or for which the Group recognised revenue in the amount to which it has a right to invoice.

6 TRADE AND OTHER RECEIVABLES

	June 30, 2026	December 31, 2025
Trade receivables	\$ 2,223	\$ 4,647
Value-added tax (VAT) recoverable	54	40
Other receivables	68	55
	\$ 2,345	\$ 4,742

The Group applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

For trade accounts receivables and contract assets, the Company does not hold any collateral as security but mitigates this risk by dealing only with what management deems to be financially sound counterparties. Based on the nature of the Group's global operations, the majority of the counterparties are local government organizations or established entities. The Group considers the underlying contract payment terms, creditworthiness and other factors including macroeconomic conditions that potentially impact expected future credit losses.

Allowance for estimated credit losses included in net trade receivables was \$Nil as at June 30, 2026 and December 31, 2025.

7 PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets ⁽ⁱ⁾	Assets under construction	Plant and equipment	Aircraft	Property, plant and equipment	Total
Cost						
Balance, December 31, 2024	\$ 429	\$ 8,228	\$ 12,998	\$ 8,484	\$ 29,710	\$ 30,139
Additions	59	1,198	32	11	1,241	1,300
Disposals	(142)	-	-	-	-	(142)
Reclassification from right-of-use to owned	-	-	(1,289)	-	(1,289)	(1,289)
Balance, December 31, 2025	346	9,426	11,741	8,495	29,662	30,008
Additions	-	247	6	-	253	253
Transfer upon available for use ⁽ⁱⁱ⁾	-	(9,426)	9,426	-	-	-
Balance, June 30, 2026	\$ 346	\$ 247	\$ 21,173	\$ 8,495	\$ 29,915	\$ 30,261
Accumulated depreciation						
Balance, December 31, 2024	\$ 41	\$ -	\$ 3,269	\$ 1,174	\$ 4,443	\$ 4,484
Charge for the period	85	-	881	373	1,254	1,339
Reclassification from right-of-use to owned	-	-	(1,289)	-	(1,289)	(1,289)
Disposals	(41)	-	-	-	-	(41)
Balance, December 31, 2025	85	-	2,861	1,547	4,408	4,493
Charge for the period	44	-	746	245	991	1,035
Disposals	-	-	-	-	-	-
Balance, June 30, 2026	\$ 129	\$ -	\$ 3,607	\$ 1,792	\$ 5,399	\$ 5,528
Carrying amount						
June 30, 2026	\$ 217	\$ 247	\$ 17,566	\$ 6,703	\$ 24,516	\$ 24,733
December 31, 2025	\$ 261	\$ 9,426	\$ 8,880	\$ 6,948	\$ 25,254	\$ 25,515

(i) The right-of-use assets pertain to leasehold land and buildings.

Included in prepaid expenses as at June 30, 2026 is aggregate prepayments of \$1.456 million made towards the aggregate purchase price for two (2) new refurbished engines to be received prior to September 30, 2026. Upon receipt and installation of these engines it will be transferred to Property, plant and equipment and depreciated in accordance with the useful life as determined at such time. Also, included in prepaid expenses as at June 30, 2026 is a deposit of \$0.100 million paid towards a data library to be acquired.

(ii) The dFTG instrument, which was under construction, became available for use during the period and the aggregate capitalized costs were transferred from "Assets under construction" to "Plant and equipment" and depreciation commenced.

8 TRADE AND OTHER PAYABLES

	June 30, 2026	December 31, 2025
Trade payables	\$ 868	\$ 1,459
Accruals	1,672	2,226
Social security and other taxation	144	210
Other payables	39	65
	\$ 2,723	\$ 3,960

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2026 and 2025

(Expressed in thousands of US dollars)

9 BORROWINGS

Borrowings held at amortized cost:	June 30, 2026	December 31, 2025
Other loans ⁽ⁱ⁾⁽ⁱⁱ⁾	\$ 508	\$ 6,456
Bank loans	2	8
	510	6,464
Less current portion:		
Other loans	(508)	(3,772)
Bank loans	(2)	(8)
	(510)	(3,780)
Non-current portion	\$ -	\$ 2,684

(i) As at December 31, 2025, included in other loans is a term loan of \$6.754 million which was entered into on November 14, 2024. This loan related to the purchase of a Full Tensor Gravity (FTG) system and aircraft and accrues interest at 14% per annum and is secured over the remaining assets of the Group. Financing fees totalling \$1.477 million were allocated to the loan upon issuance and are amortized to income over the term of the underlying liability. Of this amount, \$0.550 million were settled in common shares and \$0.738 million were settled in cash. The interest expense on the term loan was \$Nil and \$0.221 million, respectively for the three and six months ended June 30, 2026. The interest expense on the term loan was \$0.284 million and \$0.547 million, respectively for the three and six months ended June 30, 2025. The loan was due for repayment on or before May 12, 2027 but following the IPO, some of the proceeds from the offering were used to repay the term loan. On March 27, 2026, an aggregate of \$7.167 million related to the settlement of principal and associated settlement costs were paid in full. A settlement loss of \$0.862 million was recognized for the six months ended June 30, 2026 and is a non-cash flow item.

(ii) As at June 30, 2026 and December 31, 2025, the Company has loans of \$0.508 million with two individuals, one of whom is a shareholder of the Company which were due for repayment by June 30, 2023 and accrue interest at 2% per annum compounded monthly and are due on demand. No new terms and conditions have been agreed to.

10 DEBENTURES

Convertible debentures

In August 2024, the Company completed two tranches of a non-brokered private placement of convertible debentures, issuing 2,750 units and 1,675 units, respectively in June 2024 and August 2024. Each unit carried a face value of US \$1,000, resulting in gross proceeds of US \$2,750,000 and US \$1,675,000 for the respective tranches. The debentures had a maturity date of September 19, 2029. Each debenture bore interest of 12% per annum until June 30, 2025 and 15% per annum from June 30, 2025 till maturity. Interest was payable semi-annually in arrears. The debenture units include two prepayment options which were determined to be closely related to the host debt.

Each debenture unit entitled the holder an option to convert the outstanding principal into common shares of the Company at a conversion price of \$0.25. If a Qualified Financing was completed, the conversion price would be adjusted to the lesser of \$0.25 and 90% of the weighted average price per equity security issued in the financing.

Each debenture unit had 2,000 Warrants attached. Each warrant entitled the holder to one common share at an exercise price of US\$0.75 per common share. The warrants contained a clause whereby the Company may, at its option, at any time during the term of the Warrants, reduce the then current Exercise price to any amount or extend the expiry time.

The conversion feature and warrants were determined to breach fixed for fixed criteria and it was concluded that convertible debenture is a hybrid financial instrument with a liability host instrument, an embedded derivative conversion feature and a derivative warrant liability. Management has elected to measure this instrument at fair value through profit and loss each report date. For the three and six months ended June 30, 2026, the convertible debentures interest expense was \$Nil and \$0.207 million, respectively. For the corresponding periods, the interest expense was \$0.112 million and \$0.265 million, respectively.

The fair value of the instruments as a whole was determined as the total of the following components:

- (i) The debt component was measured based on the probability-weighted expected cash flows, discounted at an appropriate risk-adjusted rate; and
- (ii) The fair value of the warrants was estimated using the Black-Scholes option pricing model.

These valuation techniques require the use of assumptions such as expected volatility, discount rates, and share price forecasts, all of which involve significant judgment and estimation uncertainty.

On March 25, 2026, the Company completed a 2-for-1 consolidation of its common shares, pursuant to which two pre-consolidation common shares were consolidated into one post-consolidation common share (the "Share Consolidation"). The Share Consolidation has been reflected retrospectively in the calculation of basic and diluted earnings per share for all periods presented. Accordingly, the weighted average number of common shares outstanding and earnings per share amounts as presented in these Financial Statements for the three and six months ended June 30, 2026 and 2025 have been adjusted to reflect the Share Consolidation. In addition, the number of share options and warrants outstanding and their related exercise prices have been adjusted retrospectively to reflect the Share Consolidation for the years ended December 31, 2025 and 2024 as well as the three and six months ended June 30, 2025, as disclosed in the equity related continuity notes to these Financial Statements. The Share Consolidation was also factored into the conversion of all the outstanding convertible debentures and warrants agreed to be converted prior to the Closing of the IPO. See Notes 13(b)(i), for further details on the Share Consolidation.

Prior to the Closing, the Company entered into a convertible debenture conversion agreement with each holder of a convertible debenture outstanding, pursuant to which all outstanding convertible debentures were converted into an aggregate of 8,850,000 common shares, on a post-Share Consolidation basis. Upon conversion of the convertible debentures, the terms of the warrants attached to the convertible debentures were modified to permit a cashless exercise option. Under this option, in lieu of paying the exercise price in cash, holders that agreed to the conversion received a reduced number of common shares totalling 2,487,761 determined by reference to the IPO share price of \$3.62 (C\$5.00) and the exercise price of \$1.50. See Note 13(b)(iii) and Note 15, for further details.

Prior to the Closing, the 8,850,000 convertible debentures and 2,487,761 warrants to be converted into common shares were revalued at the IPO share price of C\$5.00 (\$3.62) per share upon resulting in a \$41.080 million convertible debenture liability prior to conversion. The resulting change in fair value of \$8.174 million for the six months ended June 30, 2026 was recognized as a loss on revaluation upon conversion of the convertible debenture and warrants. See Note 15 for the resulting impact upon the exercise of all the outstanding warrants prior to June 30, 2026.

These valuation techniques require the use of assumptions such as expected volatility, discount rates, and share price forecasts, all of which involve significant judgment and estimation of uncertainty. Considering that all convertible debentures and majority of the warrants were converted on a post-Share Consolidation basis prior to the Closing, the fair value calculations did not differentiate between each of the tranches. See Note 15(ii) for the key assumptions used in valuation of the outstanding warrants upon exercise.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2026 and 2025

(Expressed in thousands of US dollars)

10 DEBENTURES (Continued)**Convertible debenture liability - Movements and balance at the reporting period end**

Balance, December 31, 2024	\$	9,848
Interest charged		611
Interest paid		(744)
Fair value adjustment		23,191
Balance, December 31, 2025		32,906
Interest charged		207
Interest paid		-
Transferred accrued interest to Trade and other payables		(207)
Fair value adjustment		8,174
Conversion of convertible debentures and warrants (Note 13(b)(iii))		(41,080)
Balance, March 31, 2026 and June 30, 2026	\$	-

As at March 25, 2026, no convertible debentures remained outstanding following conversion into common shares. The carrying value of the convertible debenture liability and related warrants converted as part of the conversion arrangements, totalling \$41.080 million, was derecognized and transferred to share capital. The remaining 200,000 warrants continued to be recognized as a derivative warrant liability until exercise on June 26, 2026. See Note 13 and Note 15, for further details. The accrued and unpaid interest was transferred to Trade and other payables as no underlying financial instrument exists upon conversion of all convertible debentures into common shares prior to March 31, 2026. See Note 8, for further details.

11 LEASE LIABILITIES

Net amounts due	June 30, 2026	December 31, 2025
Within one year	\$ 68	\$ 79
After more than one year	181	208
	\$ 249	\$ 287

Maturity analysis of future lease payments	June 30, 2026	December 31, 2025
Within one year	\$ 86	\$ 99
In two to five years	201	238
Total undiscounted liabilities	287	337
Future finance charges and other adjustments	(38)	(50)
Aggregate lease liabilities	\$ 249	\$ 287

12 DEFERRED TAXATION

During the six months ended June 30, 2026, the Group recognized a net deferred tax recovery of \$0.524 million, primarily reflecting changes in deductible and taxable temporary differences in the Group's UK subsidiary, Bridgeporth Limited, including temporary differences associated with share-based compensation and property, plant and equipment.

13 SHARE CAPITAL**(a) Authorized**

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

The Company is authorized to issue an unlimited number of preferred shares, issuable in series and will have such rights, restrictions, conditions and limitations as the Board may from time to time determine.

(b) Issued and outstanding

	Number of shares ⁽ⁱ⁾	Amount
Balance, December 31, 2024	30,638,716	\$ 12,814
Term loan financing fee ⁽ⁱⁱ⁾	50,000	50
Balance, December 31, 2025	30,688,716	12,864
Issued upon conversion of convertible debentures ⁽ⁱⁱⁱ⁾	8,850,000	41,080
Issued upon conversion of warrants ⁽ⁱⁱⁱ⁾	2,487,761	
Proceeds from offering, net of share issuance costs	7,000,000	23,160
Aggregate value assigned to share capital upon exercise of warrants ^(iv)	200,000	529
Balance, June 30, 2026	49,226,477	\$ 77,633

(i) The number of shares outstanding for the years ended December 31, 2025 and 2024 are presented on a post-Share-Consolidation basis.

(ii) In April 2025, the Company issued 50,000 shares in settlement of term loan fees totalling \$50,000.

(iii) The aggregate value of the convertible debenture liability of \$41.080 million inclusive of the warrant value prior to conversion into common shares was derecognized and transferred to share capital.

(iv) In conjunction with the IPO, on March 25, 2026, the Company completed a treasury offering of 7,000,000 common shares at a price of C\$5.00 (US\$3.62) per share, for gross proceeds of C\$35.0 million (US\$25.342 million). Aggregate issuance costs of \$2.182 million were deemed directly attributed to the issuance of the shares and recognized as a deduction from equity, resulting in net proceeds upon issuance of \$23.160 million.

(v) On June 26, 2026, the 200,000 outstanding warrants were exercised and the Company received aggregate cash proceeds of \$0.3 million. Upon exercise of the warrants, the remeasured warrant liability value of \$0.229 million as at June 26, 2026 was reclassified to share capital. Thereby, resulting in an overall increase in share capital of \$0.529 million. See Note 15 (iii), for further details.

14 SHARE-BASED PAYMENTS**(a) Option plan details**

The Company has established a stock option program for its officers, directors, employees, and certain consultants under which the Company may grant options to acquire common voting shares at the market price of the shares, at the grant date (the "Equity Incentive Plan,"). The Equity Incentive Plan includes the options granted under the legacy option plan (the "Legacy Option Plan") prior to completion of the IPO and will remain outstanding in accordance with their terms and will be governed under the Equity Incentive Plan following the Closing. The maximum number of Common Shares available for issuance under the Equity Incentive Plan, including the Legacy Options, is 10% of the issued and outstanding Common Shares. Unless otherwise approved by the Board of Directors, options vest in equal tranches over a four-year period.

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14 SHARE-BASED PAYMENTS (Continued)

(b) The following is a summary of changes in options from December 31, 2024 to June 30, 2026:

	Number of shares	Weighted average exercise price
Outstanding, December 31, 2024	1,712,500	\$1.00
Granted in the period ⁽ⁱ⁾	1,625,000	\$2.23
Outstanding, December 31, 2025	3,337,500	\$1.60
Granted in the period	562,500	\$3.62
Outstanding, June 30, 2026	3,900,000	\$1.89
Options exercisable as at June 30, 2026	2,096,875	\$1.48

(i) On March 31, 2025, the Company granted 1,625,000 share options to group employees under the Legacy Option Plan. In connection with the Consolidation, each Legacy Option was exchanged on a 2-to-1 basis at a post-consolidation exercise price that range between \$1.00 to \$4.00 per share. The options vest in equal tranches over a four-year period, subject to the continued employment of the relevant participants.

(ii) On March 25, 2026, an aggregate 562,500 options with an exercise price of C\$5.00 (\$3.62) per share and 10-year term were granted in accordance with the Equity Incentive Plan of which 525,000 were granted to non-employee directors of the Company and 37,500 options were granted to a consultant of the Company that is not in lieu of past services performed. These options vest over a 4-year term: 25% vest on March 25, 2027, 25% vest on March 25, 2028, 25% vest on March 25, 2029 and the remaining 25% vest on March 25, 2030. The fair value of the options at the grant date of C\$3.40 (\$2.46) per share option have been calculated using the Black-Scholes valuation model. See table below for assumptions used in the valuation.

(c) The following table summarizes information about the stock options as at June 30, 2026:

Range of exercise prices	Grant Date	Expiry Date	Options Outstanding			Options Exercisable	
			Number outstanding	Weighted average remaining life	Weighted average exercise price	Number exercisable	Weighted average exercise price
\$1.00	March 10, 2024	March 10, 2034	1,712,500	7.69	\$1.00	1,284,375	\$1.00
\$1.00	March 31, 2025	March 31, 2035	625,000	8.75	\$1.00	312,500	\$1.00
\$2.00	March 31, 2025	March 31, 2035	500,000	8.75	\$2.00	250,000	\$2.00
\$3.62	March 25, 2026	March 25, 2036	562,500	9.73	\$3.62	-	\$3.62
\$4.00	March 31, 2025	March 31, 2035	500,000	8.75	\$4.00	250,000	\$4.00
			3,900,000	8.43	\$1.89	2,096,875	\$1.48

The following table summarizes information about the stock options as at December 31, 2025:

Range of exercise prices	Grant Date	Expiry Date	Options Outstanding			Options Exercisable	
			Number outstanding	Weighted average remaining life	Weighted average exercise price	Number exercisable	Weighted average exercise price
\$1.00	March 10, 2024	March 10, 2034	1,712,500	8.19	\$1.00	1,284,375	\$1.00
\$1.00	March 31, 2025	March 31, 2035	625,000	9.25	\$1.00	-	\$1.00
\$2.00	March 31, 2025	March 31, 2035	500,000	9.25	\$2.00	-	\$2.00
\$4.00	March 31, 2025	March 31, 2035	500,000	9.25	\$4.00	-	\$4.00
			3,337,500	8.70	\$1.60	1,284,375	\$1.00

The follow table summarizes the assumptions used in the Black-Scholes option-pricing model for purposes of determining the fair value of the options granted during the periods presented above:

	March 25, 2026
Expected dividend yield	0.00%
Expected volatility	55.00%
Risk-free interest rate	3.47%
Expected life (years)	10
Weighted average exercise price	\$3.62
Average share price on date of grant	\$3.62
Weighted average fair value of options	\$2.46

No options were cancelled, forfeited, nor expired during the three and six months ended June 30, 2026. During the three and six months ended June 30, 2026, the equity settled share-based payments expenses of \$0.343 million and \$0.462 million, respectively were recognized. During the three and six months ended June 30, 2025, the equity settled share-based payments expenses of \$0.114 million and \$0.367 million, respectively were recognized.

15 WARRANTS

In August 2024, warrants were attached to the convertible debenture tranches issued. See Note 10, for further details.

Reconciliation of movements	Number outstanding	Average exercise price
Outstanding, December 31, 2024 and 2025	4,425,000	\$1.50
Warrants converted into common shares (Note 13(b)(iii))	(2,487,761)	
Warrants forfeited upon conversion ^{(i) (ii)}	(1,737,239)	
Outstanding, March 31, 2026	200,000	\$1.50
Exercised warrants into common shares ⁽ⁱⁱⁱ⁾ (Note 13 (v))	(200,000)	\$1.50
Outstanding June 30, 2026	-	\$1.50

(i) Upon conversion of the convertible debentures, the terms of the warrants attached to the convertible debentures were modified to permit a cashless exercise option. Under this option, in lieu of paying the exercise price in cash, holders that agreed to conversion received a reduced number of common shares totalling 2,487,761 determined by reference to the IPO share price of \$3.62 (C\$5.00) and the exercise price of \$1.50. See Note 10 and Note 13(b)(iii), for further details. A holder of the remaining 200,000 warrants was able to exercise at a price of \$1.50 per warrant prior to June 30, 2026. See Note 13 (v) and Note 15 (iii), for further details upon exercise of these warrants.

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15 WARRANTS (Continued)

- (ii) The warrant liability associated with the 200,000 warrants outstanding as at March 31, 2026 was valued at \$0.552 million using the Black-Scholes model and included in the aggregate loss on revaluation of the convertible debentures and warrants of \$8.726 million as presented in the loss for the three months ended March 31, 2026. The key assumptions used were as follows: share price as at March 31, 2026 of C\$4.90 (\$3.51), exercise price of \$1.50, time to maturity 0.25 years, 3.474% annual risk-free interest rate and annualized volatility of 51.7% using a 360 day volatility for a peer-group of entities trading on the TSX.
- (iii) On June 26, 2026, the holder exercised the 200,000 outstanding warrants and paid gross proceeds of \$0.300 million. Prior to exercise, the warrant liability was remeasured at \$0.229 million using the Black-Scholes model. The key assumptions used to remeasure the warranty as at June 26, 2026 were as follows: share price as at June 26, 2026 of C\$3.75 (\$2.64), exercise price of \$1.50, time to maturity 0.1 years, 3.474% annual risk-free interest rate and annualized volatility of 51.7% using a 360 day volatility for a peer-group of entities trading on the TSX. The resulting gain of \$(0.322) million offsets the aggregate loss on revaluation of the convertible debentures and warrants of \$8.726 million (Note 15(ii)). The net revaluation (gain) loss on convertible debentures and warrants of \$(0.322) million and \$8.404 million, respectively are presented in the loss for the three and six months ended June 30, 2026.

16 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**(a) Fair value measurement***Fair value*

As at June 30, 2026 and December 31, 2025, the Group's financial instruments consist of cash and cash equivalents, trade and other receivables, trade payables, accruals, borrowings, lease liabilities, and convertible debentures. Cash and cash equivalent, trade and other receivables, trade payables and accruals are classified as measured at amortised costs and their fair values approximate their carrying values because of the short-term nature of these instruments. Convertible debentures and warrants are classified as measured at FVTPL in accordance with Level 3, see Note 10 and Note 15, for further details. As at June 30, 2026, the Convertible debentures balance is \$Nil as all debentures were converted to common shares, see Note 10 and Note 13, for further details. The warrant liability outstanding as at March 31, 2026 was reclassified to share capital upon exercise of the warrants on June 26, 2026. See Note 13 and Note 15, for further details.

Financial instruments are classified into one of the following categories:

- FVTPL; and
- Amortised cost

Fair value hierarchy

The Group is required to make disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritises the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Risk management

The Group's activities expose it to a variety of financial risks that arise as a result of its development, production and financing activities. The Group has exposure to market, credit, liquidity and interest risk. The Group's risk management policies are established to:

- Identify and analyze the risks faced by the Group;
- Set appropriate limits and controls; and
- To monitor risks and adherence to market conditions and the Group's activities.

This narrative presents information about the Group's risk exposure, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital.

Market risk*Market risk management*

The Group's risk exposures and the impact on the Group's financial instruments are summarised below:

Foreign exchange risk

The carrying amounts of the Group's foreign currency denominated monetary assets include cash and cash equivalents and trade receivables and monetary liabilities include trade payables at the reporting date are as follows:

	Assets		Liabilities	
	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
British Pound	\$ 161	\$ 106	\$ 244	\$ 829
Canadian Dollar	1,210	-	124	84
Egyptian Pound	-	12	-	-
Japanese Yen	-	23	-	-
Euro	636	34	133	172
Swiss Franc	-	-	99	-
Singapore Dollar	-	1,252	76	22
Malaysian Ringgit	-	2,953	-	20
	\$ 2,007	\$ 4,380	\$ 676	\$ 1,127

Foreign exchange risk arises when individual group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency.

The Group aims to fund expenses and investments in their retrospective currency to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred.

The Group does not have a policy to hedge its foreign currency risk.

Interest rate risk

Interest rate risk arises when an individual entity within the Group enters into loans with variable rates. As at June 30, 2026, the Group's remaining outstanding debt is all on fixed rates which minimises the risk arising from interest rates.

Liquidity risk*Liquidity risk management*

Responsibility for liquidity risk management rests with the board of directors. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to continuously monitor operating cash requirements to ensure that sufficient cash resource are available meet its commitments when they become due. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on all of its long-term borrowings, this is further discussed in the *Interest rate risk* section above. As factors impacting cash requirements change, liquidity risks may necessitate the need for the Company to raise capital by issuing equity or obtaining debt financing.

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16 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)**(b) Risk management (Continued)***Liquidity risk (Continued)*

The following table details the remaining undiscounted contractual maturity for the Group's financial liabilities with agreed repayment periods. See Note 11 for the contractual maturity of future lease payments. The contractual maturity is based on the earliest date on which the Group may be required to pay.

	<1 Year		1-2 Years		3-5 Years		> 5 years	
Trade and other payables	\$	2,723	\$	-	\$	-	\$	-
Borrowings		510		-		-		-
	\$	3,233	\$	-	\$	-	\$	-

Credit risk

Credit risk is the risk that a counterparty will fail to perform its obligations to the Group. The Group's credit risk mainly comes from accounts receivable. This is mitigated through credit policies that limit transactions according to counterparties' creditworthiness, which is assessed by considering their financial position, past experience and other factors. The Group's customers are largely well established companies or government organisations with a history of prompt payment. As at June 30, 2026, 95.7% of the trade receivables outstanding was from two (2) customers with balances in excess of 10% of total gross trade receivables outstanding. Accounts receivable amounts are presented net of any allowance for expected credit losses. See Note 6, for further details.

17 SEGMENTED INFORMATION

The Group has one reportable segment. This was determined based on the nature of the service and product offered. Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance.

The Group operates globally and present the revenue recognized by geographic location grouping as disclosed below. All of the Group's significant identifiable non-current assets are held by the Group's subsidiary located in the United Kingdom, however they are used globally dependent on the location of the customer for whom data is being collected at the time and therefore, the geographic locations can differ from reporting period-to-period. Therefore, revenue generated in other global locations are grouped as "Rest of World". When not in use the Company's aircraft return to their maintenance bases in the United States and Uganda, respectively.

Revenue by type of service contract is disclosed below:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Acquisition services	\$ 2,732	\$ 4,399	\$ 6,770	\$ 8,440
Processing and interpretation services	61	142	98	189
	\$ 2,793	\$ 4,541	\$ 6,868	\$ 8,629

Revenue by geographical market is disclosed below:

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Africa	\$ 2,106	\$ 3,184	\$ 4,203	\$ 5,426
South East Asia	612	740	1,888	740
Rest of World	75	617	777	2,463
	\$ 2,793	\$ 4,541	\$ 6,868	\$ 8,629

For the three and six months ended June 30, 2026, three (3) and two (2) customers comprised 86% and 56% of total revenue, respectively for the periods presented. For the three and six months ended June 30, 2025, three (3) and three (3) customers comprised 93% and 90% of total revenue, respectively for the periods presented.

18 INTEREST EXPENSE

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Interest on bank overdrafts and loans	\$ 15	\$ 96	\$ 32	\$ 169
Interest on lease liabilities	5	7	11	14
Interest payable on other loans including the term loan and debentures	-	395	428	812
	\$ 20	\$ 498	\$ 471	\$ 995

19 PER SHARE AMOUNT

As indicated in Note 10, the Share Consolidation has been reflected retrospectively in the calculation of basic and diluted earnings per share for all periods presented. Accordingly, the weighted average number of common shares outstanding and earnings per share amounts for the current and corresponding periods presented in these Financial Statements have been adjusted to reflect the Share Consolidation.

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
<i>Basic earnings (loss) per share computation:</i>				
Net income (loss) for the period	\$ (2,271)	\$ 427	\$ (13,362)	\$ 503
Weighted average shares	49,035,268	30,729,925	40,520,555	30,709,436
Basic earnings (loss) per share	\$ (0.05)	\$ 0.01	\$ (0.33)	\$ 0.02

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19 PER SHARE AMOUNT (continued)

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
<i>Diluted earnings (loss) per share computation:</i>				
Net income (loss) for the period	\$ (2,271)	\$ 427	\$ (13,362)	\$ 503
Add back interest expense on convertible debentures, net of tax of zero	-	112	-	265
Net income (loss) for diluted earnings (loss) per share	\$ (2,271)	\$ 539	\$ (13,362)	\$ 768
Weighted average shares (Basic)	49,035,268	30,729,925	40,520,555	30,709,436
Plus incremental shares from assumed conversions:	-	9,541,373	-	9,541,373
Share options	-	691,373	-	691,373
Warrants	-	-	-	-
Convertible debentures	-	8,850,000	-	8,850,000
Adjusted weighted average shares - diluted	49,035,268	40,271,298	40,520,555	40,250,809
Diluted earnings (loss) per share	\$ (0.05)	\$ 0.01	\$ (0.33)	\$ 0.02

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the Company's net income (loss) by the weighted average number of common shares outstanding during the reporting period. Diluted EPS is determined by adjusting the Company's net income (loss) and the weighted average number of common shares outstanding for the effects of all dilutive potential shares. Potential shares with an antidilutive effect on EPS are excluded from the weighted average number of shares.

20 Contingent liabilities and provisions

In the ordinary course of business, the Group may be exposed to claims against them. The Group assesses the validity of any claim it receives and provision is made when payment seems probable and a reliable estimate can be made of the amount. There are no claims outstanding as at June 30, 2026 and December 31, 2025.