

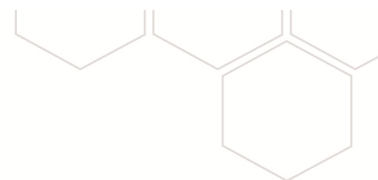


## NanoXplore Inc.

# UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods  
ended March 31, 2026 and 2025





## Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)	As at March 31, 2026 \$	As at June 30, 2025 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	24,401,126	18,587,960
Accounts receivable and contract asset	31,833,822	20,799,450
Inventory	15,585,488	16,718,702
Prepaid expenses and other assets	2,404,313	1,575,255
	<b>74,224,749</b>	<b>57,681,367</b>
<b>Non-current assets</b>		
Lease deposits	252,830	250,187
Equipment deposits	—	4,462,889
Right-of-use assets [Note 3a]	17,740,163	6,130,403
Property, plant and equipment [Note 3b]	74,195,737	65,609,478
Intangible assets [Note 4]	11,217,988	11,959,491
Goodwill	1,919,673	1,919,673
Deferred tax assets	4,450,997	3,188,390
<b>Total assets</b>	<b>184,002,137</b>	<b>151,201,878</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Operating loans [Note 5]	696,320	857,750
Accounts payable and accrued liabilities	17,744,396	20,610,222
Income taxes payable	—	850,251
Contract liability	479,293	1,890,709
Current portion of lease liability [Note 5]	3,475,844	3,430,404
Current portion of long-term debt [Note 5]	3,468,870	2,116,911
	<b>25,864,723</b>	<b>29,756,247</b>
<b>Non-current liabilities</b>		
Defined benefit liabilities	772,043	941,466
Lease liability [Note 5]	25,737,288	14,018,178
Long-term debt [Note 5]	12,649,253	2,196,013
Deferred tax liabilities	4,122,044	4,934,852
<b>Total liabilities</b>	<b>69,145,351</b>	<b>51,846,756</b>
<b>Shareholders' equity</b>		
Share capital [Note 6]	207,510,956	182,683,203
Reserve	8,072,783	7,290,752
Foreign currency translation reserve	45,547	95,323
Deficit	(100,772,500)	(90,714,156)
<b>Total shareholders' equity</b>	<b>114,856,786</b>	<b>99,355,122</b>
<b>Total liabilities and shareholders' equity</b>	<b>184,002,137</b>	<b>151,201,878</b>

See accompanying notes to unaudited condensed interim consolidated financial statements

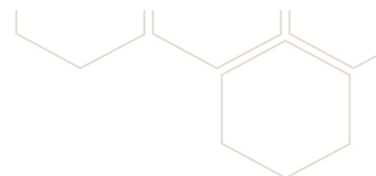
Approved on behalf of the Board of Directors

**Rocco Marinaccio**

Rocco Marinaccio

**Joseph G. Peter**

Joseph G. Peter

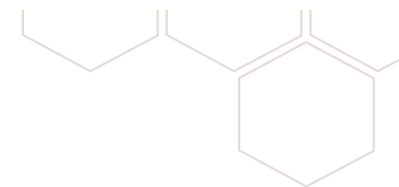


## Consolidated Statements of Loss and Comprehensive Loss

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2026	2025	2026	2025
(Unaudited - Expressed in Canadian dollars)	\$	\$	\$	\$
<b>Revenues</b>				
Revenues from customers	31,656,876	29,239,999	81,571,908	95,204,015
Other income	690,501	1,206,166	1,798,410	2,028,450
	<b>32,347,377</b>	30,446,165	<b>83,370,318</b>	97,232,465
<b>Cost of sales and expenses</b>				
Cost of sales	24,399,896	22,677,052	64,567,239	74,732,162
Research and development expenses	1,217,013	1,314,122	3,439,191	3,778,166
Selling, general and administrative expenses	5,595,947	5,149,436	15,319,113	15,345,233
Share-based compensation expenses	492,320	299,769	968,287	1,183,487
Depreciation (production)	2,146,397	1,750,221	6,204,452	5,015,485
Depreciation (other)	545,698	595,988	1,619,740	1,932,611
Amortization	481,369	474,553	1,437,552	1,410,437
Foreign exchange	(521,172)	433,114	(73,553)	665,116
	<b>34,357,468</b>	32,694,255	<b>93,482,021</b>	104,062,697
<b>Operating loss</b>	<b>(2,010,091)</b>	(2,248,090)	<b>(10,111,703)</b>	(6,830,232)
Interest on operating loans and long-term debt	(135,230)	(72,265)	(292,497)	(284,173)
Interest accretion on lease liability	(627,580)	(209,656)	(1,449,801)	(578,429)
Interest revenue	154,916	143,459	356,001	567,117
<b>Loss before income taxes</b>	<b>(2,617,985)</b>	(2,386,552)	<b>(11,498,000)</b>	(7,125,717)
Current income tax expense	(266,586)	(107,293)	(773,272)	(1,123,744)
Deferred income tax recovery	237,650	746,131	2,011,615	887,813
	<b>(28,936)</b>	638,838	<b>1,238,343</b>	(235,931)
<b>Loss</b>	<b>(2,646,921)</b>	(1,747,714)	<b>(10,259,657)</b>	(7,361,648)
<b>Other comprehensive income (loss)</b>				
<i>Items that may be subsequently reclassified to profit and loss:</i>				
Exchange differences on translation of foreign subsidiaries	(226,342)	165,871	(49,776)	(423,023)
<i>Items that will not be reclassified to profit and loss:</i>				
Retirement benefits – Net actuarial gain (loss)	(122,282)	22,700	201,313	(90,842)
<b>Total comprehensive loss</b>	<b>(2,995,545)</b>	(1,559,143)	<b>(10,108,120)</b>	(7,875,513)
<b>Loss per share</b>				
Basic and diluted	<b>(0.01)</b>	(0.01)	<b>(0.06)</b>	(0.04)
Weighted average number of common shares outstanding	<b>181,428,781</b>	170,608,431	<b>176,628,742</b>	170,608,431

In light of the loss recognized for the periods, stock options were excluded from the calculation of diluted loss per share due to their anti-dilutive effect.

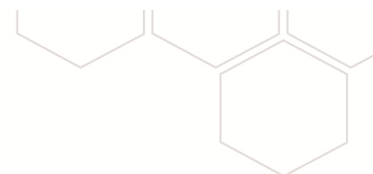
See accompanying notes to unaudited condensed interim consolidated financial statements



### Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)	Number of common shares	Share capital \$	Reserve \$	Foreign currency translation reserve \$	Deficit \$	Shareholders' equity \$
<b>Balance as at June 30, 2024</b>	170,608,431	182,683,203	5,855,387	(162,900)	(80,725,818)	107,649,872
Loss	—	—	—	—	(7,361,648)	(7,361,648)
Other comprehensive loss	—	—	—	(423,023)	(90,842)	(513,865)
Comprehensive loss	—	—	—	(423,023)	(7,452,490)	(7,875,513)
Share-based compensation	—	—	1,183,487	—	—	1,183,487
<b>Balance as at March 31, 2025</b>	170,608,431	182,683,203	7,038,874	(585,923)	(88,178,308)	100,957,846
Loss	—	—	—	—	(2,295,472)	(2,295,472)
Other comprehensive income (loss)	—	—	—	681,246	(240,376)	440,870
Comprehensive loss	—	—	—	681,246	(2,535,848)	(1,854,602)
Share-based compensation	—	—	251,878	—	—	251,878
<b>Balance as at June 30, 2025</b>	170,608,431	182,683,203	7,290,752	95,323	(90,714,156)	99,355,122
Loss	—	—	—	—	(10,259,657)	(10,259,657)
Other comprehensive income	—	—	—	(49,776)	201,313	151,537
Comprehensive loss	—	—	—	(49,776)	(10,058,344)	(10,108,120)
Private placement (net of issuing costs of \$1,441,343) [Note 6]	<b>10,720,350</b>	<b>24,287,497</b>	—	—	—	<b>24,287,497</b>
Exercise of stock options [Note 6]	<b>158,611</b>	<b>540,256</b>	<b>(186,256)</b>	—	—	<b>354,000</b>
Share-based compensation	—	—	<b>968,287</b>	—	—	<b>968,287</b>
<b>Balance as at March 31, 2026</b>	<b>181,487,392</b>	<b>207,510,956</b>	<b>8,072,783</b>	<b>45,547</b>	<b>(100,772,500)</b>	<b>114,856,786</b>

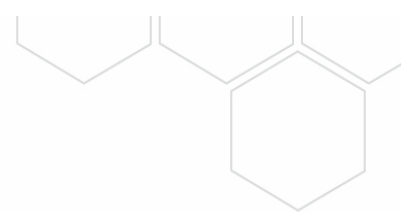
See accompanying notes to unaudited condensed interim consolidated financial statements



## Consolidated Statements of Cash Flows

	Nine-month periods ended March 31,	
	2026	2025
(Unaudited - Expressed in Canadian dollars)	\$	\$
<b>Cash flows from operating activities</b>		
Loss	(10,259,657)	(7,361,648)
Items not affecting cash:		
Depreciation and amortization	9,261,744	8,358,533
Share-based compensation expenses	968,287	1,183,487
Interest accretion on lease liability	1,449,801	578,429
Interest accretion on long-term debt	39,228	54,975
Deferred income tax recovery	(2,011,615)	(887,813)
Difference between amounts paid for employee benefits and current year expenses	17,997	5,877
Net change in fair value of foreign exchange derivatives	417,461	1,321,750
Unrealized foreign exchange	(384,205)	(1,021,663)
Changes in non-cash operating working capital items:		
Accounts receivable and contract asset	(10,821,159)	4,635,075
Inventory	1,223,219	862,662
Prepaid expenses and other assets	(820,118)	(541,821)
Accounts payable and accrued liabilities	(2,959,120)	(3,041,003)
Income taxes payable	(850,251)	1,055,175
Contract liability	(1,411,416)	(1,080,884)
	<b>(16,139,804)</b>	4,121,131
<b>Cash flows from financing activities</b>		
Issuance of common shares	25,728,840	—
Issuing costs	(1,441,343)	—
Exercise of stock options	354,000	—
Variation of operating loans	(174,080)	(650,600)
Property, plant and equipment financed through the leasing facility	—	1,677,242
Issuance of long-term debt	13,488,955	—
Repayment of lease liability	(3,820,017)	(3,236,942)
Repayment of long-term debt	(1,779,959)	(1,492,966)
	<b>32,356,396</b>	(3,703,266)
<b>Cash flows from investing activities</b>		
Additions to intangible assets	(691,765)	(266,334)
Additions to property, plant and equipment	(9,731,039)	(3,353,386)
Variation of equipment deposits	—	(4,935,870)
Disposal of property, plant and equipment	—	2,285,764
	<b>(10,422,804)</b>	(6,269,826)
<b>Change in cash and cash equivalents</b>	<b>5,793,788</b>	(5,851,961)
<b>Net effect of currency exchange rate on cash</b>	<b>19,378</b>	51,940
<b>Cash and cash equivalents, beginning of period</b>	<b>18,587,960</b>	26,504,880
<b>Cash and cash equivalents, end of period</b>	<b>24,401,126</b>	20,704,859
Interest on operating loans, long-term debt and lease liability paid	1,742,298	862,602
Additions to property, plant and equipment included in accounts payable and accrued liabilities	377,381	168,530
Additions to property, plant and equipment paid with equipment deposits	4,462,889	—
Investment tax credit recorded against the property, plant and equipment and included in accounts receivable and contract asset	398,062	—

See accompanying notes to unaudited condensed interim consolidated financial statements



[Unaudited – Unless specified otherwise, amounts are expressed in Canadian dollars]

## 1. NATURE OF OPERATIONS

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NanoXplore Inc., and its subsidiaries (together “NanoXplore” or the “Corporation”), is a graphene company, a manufacturer and supplier of high-volume graphene powder for use in industrial markets. Also, the Corporation provides standard and custom graphene-enhanced plastic and composite products to various customers in transportation, packaging, electronics, and other industrial sectors. The Corporation is also a silicon-graphene-enhanced Li-ion battery manufacturer for the energy storage, industrial and defense markets. The Corporation was formed by amalgamation under the *Canada Business Corporations Act* by certificate of amalgamation dated September 21, 2017 and is headquartered at 4500 Thimens Blvd, Montreal, QC, Canada.

NanoXplore is listed on the Toronto Stock Exchange (“TSX”) and traded under “GRA” and is also listed on the OTCQX and traded under “NNXPF”.

The Corporation has two reportable segments based on products: Advanced materials, plastics and composite products and Battery Cells and Materials [Note 9].

The unaudited condensed interim consolidated financial statements of the Corporation for the three and nine-month periods ended March 31, 2026 and 2025 were reviewed, approved and authorized for issue by the Corporation’s Board of Directors on May 13, 2026.

### Economic context

The economic context, strongly impacted by the uncertainty surrounding the evolution of trade relations with the United States, continues to have a significant impact on the judgments made as well as on the estimates and assumptions formulated by management for the purposes of preparing the consolidated financial statements for the three and nine-month periods ended March 31, 2026. The judgments, estimates and assumptions that will be formulated for the coming periods will be reassessed in light of the evolution of this highly uncertain context and could therefore differ from those that were formulated for the preparation of the consolidated financial statements for the three and nine-month periods ended March 31, 2026. The Corporation is closely monitoring the evolution of the situation and its impact on its results and its financial position.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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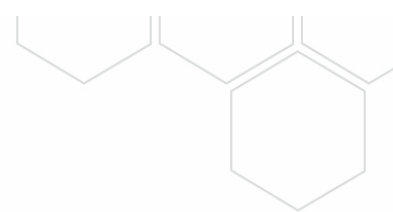
### BASIS OF PRESENTATION

The unaudited condensed interim consolidated financial statements of the Corporation and its subsidiaries for the three and nine-month periods ended March 31, 2026 and 2025 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS accounting standards”), and applicable to the preparation of interim financial statements including IAS 34, Interim Financial Reporting.

These unaudited condensed interim consolidated financial statements are presented in Canadian dollars, the Corporation’s functional currency, except where otherwise indicated. Each entity of the Corporation determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The significant accounting judgments, estimates and assumptions used in these unaudited condensed interim consolidated financial statements are consistent with those disclosed in the most recent audited annual consolidated financial statements for the year ended June 30, 2025.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, at historical cost, except for financial assets and liabilities classified as financial assets/liabilities at fair value through profit or loss and measured at fair value. Management considers that the fair value of financial assets and liabilities recorded in the financial statements approximates the carrying amount.



## BASIS OF CONSOLIDATION

The unaudited condensed interim consolidated financial statements include the accounts of the Corporation and its subsidiaries. The subsidiaries are using consistent accounting policies and the same reporting period as the parent company. All intercompany transactions, balances and unrealized gains or losses have been eliminated. The Corporation has the following subsidiaries:

Subsidiaries	Reporting segment
CEBO Injections SA ("CEBO"), based in Switzerland, with an equity interest of 100% [2024 – NanoXplore Switzerland Holding SA ("NanoXplore Switzerland"), based in Switzerland, with an equity interest of 100%. NanoXplore Switzerland holds 100% of CEBO. These companies have been merged as at July 1 <sup>st</sup> , 2024]	Advanced Materials, Plastics and Composite Products
NanoXplore Holdings USA, Inc. ("NanoXplore Holdings USA"), based in the United States, with an equity interest of 100% [2024 – 100%]. NanoXplore Holdings USA holds 100% of NanoXplore USA, Inc. and of RMC Advanced Technologies Inc. [2024 – 100%].	Advanced Materials, Plastics and Composite Products
Sigma Industries Inc. ("Sigma"), based in Canada, with an equity interest of 100% [2024 – 100%]. Sigma has two active wholly owned subsidiaries; Faroex Ltd., based in Manitoba, and Rene Composite Materials Ltd., based in Quebec. [2024 – 100%]	Advanced Materials, Plastics and Composite Products
Canuck Compounds Inc. ("Canuck"), based in Canada, with an equity interest of 100% [2024 – 100%]	Advanced Materials, Plastics and Composite Products
VoltaXplore Inc. ("VoltaXplore"), based in Canada, with an equity interest of 100% [2024 – 100%]	Battery Cells and Materials

## STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS ADOPTED WITH AN EFFECT ON THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements. The unaudited condensed interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements and notes for the year ended June 30, 2025.

There are no amendments to accounting standards which are relevant to the Corporation as of July 1, 2025.

## THE FOLLOWING STANDARDS AND AMENDMENTS TO EXISTING STANDARDS HAVE BEEN PUBLISHED, AND THEIR ADOPTION IS MANDATORY FOR FUTURE ACCOUNTING PERIODS

The IASB has issued new standards and amendments to existing standards which are applicable to the Corporation in future periods.

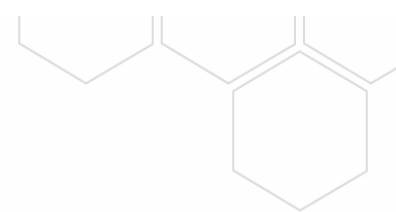
### IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements to improve reporting of financial performance. IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

The new Accounting Standard introduces significant changes to the structure of a corporation's income statement and new principles for aggregation and disaggregation of information. The main impacts of the new Accounting Standard include:

- introducing a newly defined "operating profit" subtotal and a requirement for all income and expenses to be allocated between three distinct categories based on the company's main business activities: Operating, investing and financing;
- disclosure about management performance measures; and,
- adding new principles for aggregation and disaggregation of information.
- requiring the cash flow statement to start with operating profit; and
- removal of the accounting policy choice for presentation of dividend and interest.

Management has not yet determined the impact, if any, for the Corporation.



**Amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures**

In May 2024, amendments to IFRS 9, “Financial Instruments” and IFRS 7, “Financial Instruments: Disclosures” were issued. The main impacts of the amendments include:

- clarification of the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. In addition to these clarifications, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if criteria are met;
- clarifications regarding the classification of financial assets, including those with features linked to environmental, social and corporate governance and contractual cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- additional disclosures are required for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income.

These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets.

Management has determined that there is no impact for the Corporation.

**3. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS**

**a) RIGHT-OF-USE ASSETS**

	Nine-month period ended March 31, 2026 \$	Year ended June 30, 2025 \$
<b>Balance at the beginning</b>	6,130,403	7,652,182
Additions	13,852,763	405,132
Depreciation	(2,325,256)	(1,988,439)
Effect of foreign exchange differences	82,253	61,528
<b>Balance at the end</b>	<b>17,740,163</b>	<b>6,130,403</b>
<b>Balance at the end</b>		
Cost	29,765,234	15,830,218
Accumulated amortization	(12,025,071)	(9,699,815)
<b>Net book value</b>	<b>17,740,163</b>	<b>6,130,403</b>

The majority of right-of-use assets are leases of land and building.

**b) PROPERTY, PLANT AND EQUIPMENT**

	Land & Building \$	Production equipment \$	Leasehold improvements \$	Laboratory, computer, office equipment and rolling stock \$	Total \$
<b>Balance as at July 1, 2024</b>	10,430,238	38,477,994	2,643,564	8,652,096	60,203,892
Additions	1,170,905	13,016,408	139,203	828,104	15,154,620
Disposals	–	(2,285,764)	–	–	(2,285,764)
Depreciation	(474,968)	(4,875,680)	(468,433)	(1,628,170)	(7,447,251)
Effect of foreign exchange differences	–	(33,233)	(3,598)	20,812	(16,019)
<b>Balance as at June 30, 2025</b>	11,126,175	44,299,725	2,310,736	7,872,842	65,609,478
Additions	<b>236,653</b>	<b>13,175,136</b>	<b>27,537</b>	<b>217,222</b>	<b>13,656,548</b>
Depreciation	<b>(406,984)</b>	<b>(3,509,514)</b>	<b>(360,432)</b>	<b>(1,222,006)</b>	<b>(5,498,936)</b>
Effect of foreign exchange differences	–	<b>422,582</b>	<b>5,000</b>	<b>1,065</b>	<b>428,647</b>
<b>Balance as at March 31, 2026</b>	<b>10,955,844</b>	<b>54,387,929</b>	<b>1,982,841</b>	<b>6,869,123</b>	<b>74,195,737</b>
<b>As at June 30, 2025</b>					
Cost	13,609,024	67,671,247	4,227,702	13,467,297	98,975,270
Accumulated depreciation	(2,482,849)	(23,371,522)	(1,916,966)	(5,594,455)	(33,365,792)
<b>Net book value</b>	11,126,175	44,299,725	2,310,736	7,872,842	65,609,478
<b>As at March 31, 2026</b>					
Cost	<b>13,845,677</b>	<b>81,142,190</b>	<b>4,258,739</b>	<b>13,685,265</b>	<b>112,931,871</b>
Accumulated depreciation	<b>(2,889,833)</b>	<b>(26,754,261)</b>	<b>(2,275,898)</b>	<b>(6,816,142)</b>	<b>(38,736,134)</b>
<b>Net book value</b>	<b>10,955,844</b>	<b>54,387,929</b>	<b>1,982,841</b>	<b>6,869,123</b>	<b>74,195,737</b>

The majority of property, plant and equipment is pledged as security for the credit facilities (Note 5).

Additions of production equipment under lease during the nine-month period ended March 31, 2026 amounted to nil [year ended June 30, 2025 – \$7,821,039].

As at March 31, 2026, there are \$200,497, \$6,591,630 and \$348,866 of building, production equipment and computer, respectively, that are not yet available for use and for which depreciation has not started [As at June 30, 2025 – \$2,316,774, \$7,063,624 and \$97,599].

#### 4. INTANGIBLE ASSETS

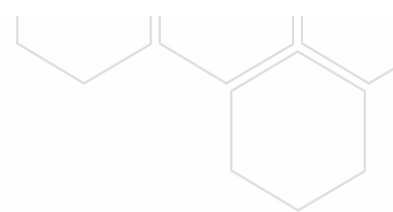
	Customer relationship \$	Technology \$	Patents, licenses and software \$	Total \$
<b>Balance as at July 1, 2024</b>	4,746,379	5,852,834	2,655,188	13,254,401
Additions	–	–	571,269	571,269
Amortization	(837,794)	(668,895)	(376,766)	(1,883,455)
Effect of foreign exchange differences	13,650	–	3,626	17,276
<b>Balance as at June 30, 2025</b>	3,922,235	5,183,939	2,853,317	11,959,491
Additions	–	–	691,765	691,765
Amortization	(630,904)	(501,671)	(304,977)	(1,437,552)
Effect of foreign exchange differences	1,418	–	2,866	4,284
<b>Balance as at March 31, 2026</b>	<b>3,292,749</b>	<b>4,682,268</b>	<b>3,242,971</b>	<b>11,217,988</b>
<b>As at June 30, 2025</b>				
Cost	8,592,380	6,688,953	4,084,835	19,366,168
Accumulated depreciation	(4,670,145)	(1,505,014)	(1,231,518)	(7,406,677)
<b>Net book value</b>	3,922,235	5,183,939	2,853,317	11,959,491
<b>As at March 31, 2026</b>				
Cost	8,593,798	6,688,953	4,779,466	20,062,217
Accumulated depreciation	(5,301,049)	(2,006,685)	(1,536,495)	(8,844,229)
<b>Net book value</b>	<b>3,292,749</b>	<b>4,682,268</b>	<b>3,242,971</b>	<b>11,217,988</b>

As at March 31, 2026, there is \$136,210 of software that is not yet available for use and for which amortization has not started [As at June 30, 2025 – \$646,045].

#### 5. CREDIT FACILITIES

	Maturity	Effective interest rate %	As at March 31, 2026 \$	As at June 30, 2025 \$
<b>Operating loans, fixed and variable rates</b>	<b>2026</b>	<b>3.6%</b>	<b>696,320</b>	857,750
– Authorized amount of \$10,693,184				
<b>Lease liability</b>	<b>2026 to 2032</b>	<b>2.4% to 8.2%</b>	<b>29,213,132</b>	17,448,582
<b>Long-term debt, fixed and variable rates</b>	<b>2027 to 2030</b>	<b>4.6% to 7.9%</b>	<b>16,118,123</b>	4,312,924
			<b>46,027,575</b>	22,619,256
Less: current portion of operating loans			696,320	857,750
Less: current portion of lease liability			3,475,844	3,430,404
Less: current portion of long-term debt			3,468,870	2,116,911
			<b>38,386,541</b>	16,214,191

Under these agreements, the Corporation has agreed to respect certain conditions and financial ratios. As at March 31, 2026, all conditions and financial ratios were met. Several movable hypothecs on specific assets of the Corporation and its subsidiaries and on the universality of the Corporation's present and future, tangible and intangible assets have been given as security for these long-term debt and credit facilities.



### a) LEASE LIABILITY

The Corporation has the following leases related to equipment and building:

	As at March 31, 2026 \$	As at June 30, 2025 \$
Equipment [Note 3a, 3b]	8,273,469	8,697,046
Building [Note 3a]	20,939,663	8,751,536
<b>Total lease liability</b>	<b>29,213,132</b>	<b>17,448,582</b>

## 6. EQUITY

On October 30, 2025, the Corporation completed a financing by way of a bought deal private placement of 10,720,350 common shares at a price of \$2.40 per share for gross proceeds of \$25,728,840. The aggregate issuance costs related to this issuance, including the commission, were \$1,441,343 and paid in cash.

During the nine-month period ended March 31, 2026, 1,380,043 options were granted. These options have an exercise price of \$2.21 and \$2.43 with a vesting period between one year and three years and a half and expiration date between five and ten years from the grant date. The exercise price is based on the share price the day prior to the grant.

During the nine-month period ended March 31, 2026, 158,611 options were exercised resulting in cash proceeds of \$354,000 and a transfer from "Reserve" to "Share capital" of \$186,256. The weighted average share price on the date of exercise of the options was \$2.43 and \$2.77.

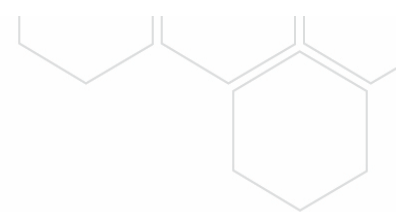
## 7. RELATED PARTY TRANSACTIONS

Martinrea is a shareholder of the Corporation with significant influence. Subsidiaries of Martinrea purchased graphene-enhanced products and tooling products from the Corporation during the three and nine-month period ended March 31, 2026 for an amount of \$340,390 and \$1,271,997 [2025 – \$460,156 and \$1,408,224]. As at March 31, 2026, an amount of \$159,481 due by Martinrea is included in Accounts receivable and contract assets [As at June 30, 2025 – \$182,038].

## 8. COMMITMENTS

As at March 31, 2026, the Corporation held forward exchange contracts to sell for a minimum of US\$9.8 million and a maximum of US\$15.3 million depending on the exchange rate of such derivative contracts. Rates vary from 1.352 to up to 1.433. The contracts are valid until June 2027. As at March 31, 2026, the carrying value of the derivative foreign currency forward exchange contracts of \$232,612 is included in Accounts payable and accrued liabilities [As at June 30, 2025 – \$184,849 in Accounts receivable and contract assets].

The Corporation has committed to purchase production equipment for a total amount of \$800,246.



## 9. SEGMENTED DISCLOSURE

The Corporation's Chief Operating Decision Maker analyzes the information for the Corporation on two reporting segments, based on products:

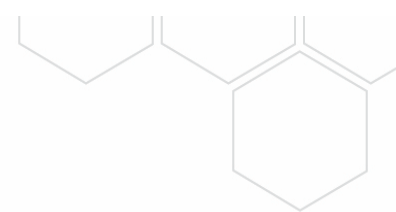
- **Advanced Materials, Plastics and Composite Products:**  
Provides standard and custom graphene-enhanced plastic and composite products to various customers in transportation, packaging, electronics, and other industrial sectors.
- **Battery Cells and Materials:**  
Provides silicon-graphene-enhanced Li-ion battery cells for the energy storage, industrial and defense markets.

The accounting policies of the segments are the same as the accounting policies of the Corporation.

### REVENUES AND EXPENSES BY OPERATING SEGMENTS

For the three-month period ended March 31, 2026 and 2025:

	2026			2025		
	Advanced Materials, Plastics and Composite Products	Battery Cells and Materials	Total	Advanced Materials, Plastics and Composite Products	Battery Cells and Materials	Total
	\$	\$	\$	\$	\$	\$
<b>Revenues</b>						
Revenues from customers	31,656,876	—	31,656,876	29,239,999	—	29,239,999
Other income	366,845	323,656	690,501	680,599	525,567	1,206,166
	32,023,721	323,656	32,347,377	29,920,598	525,567	30,446,165
<b>Cost of sales and expenses</b>						
Cost of sales	24,399,896	—	24,399,896	22,677,052	—	22,677,052
Research and development expenses and Selling, general and administrative expenses	6,431,693	381,267	6,812,960	6,040,405	423,153	6,463,558
Share-based compensation expenses	492,320	—	492,320	299,769	—	299,769
Depreciation and amortization	2,760,350	413,114	3,173,464	2,407,648	413,114	2,820,762
Foreign exchange	(518,503)	(2,669)	(521,172)	432,695	419	433,114
	33,565,756	791,712	34,357,468	31,857,569	836,686	32,694,255
<b>Operating loss</b>	(1,542,035)	(468,056)	(2,010,091)	(1,936,971)	(311,119)	(2,248,090)
Net interest expenses	(598,256)	(9,638)	(607,894)	(138,354)	(108)	(138,462)
<b>Loss before income taxes</b>	<b>(2,140,291)</b>	<b>(477,694)</b>	<b>(2,617,985)</b>	<b>(2,075,325)</b>	<b>(311,227)</b>	<b>(2,386,552)</b>



For the nine-month period ended March 31, 2026 and 2025:

	2026			2025		
	Advanced Materials, Plastics and Composite Products \$	Battery Cells and Materials \$	Total \$	Advanced Materials, Plastics and Composite Products \$	Battery Cells and Materials \$	Total \$
<b>Revenues</b>						
Revenues from customers	81,444,904	127,004	<b>81,571,908</b>	95,204,015	—	<b>95,204,015</b>
Other income	1,035,246	763,164	<b>1,798,410</b>	1,461,542	566,908	<b>2,028,450</b>
	82,480,150	890,168	<b>83,370,318</b>	96,665,557	566,908	<b>97,232,465</b>
<b>Cost of sales and expenses</b>						
Cost of sales	64,567,239	—	<b>64,567,239</b>	74,732,162	—	<b>74,732,162</b>
Research and development expenses and Selling, general and administrative expenses	17,782,570	975,734	<b>18,758,304</b>	18,053,224	1,070,175	<b>19,123,399</b>
Share-based compensation expenses	968,287	—	<b>968,287</b>	1,183,487	—	<b>1,183,487</b>
Depreciation and amortization	8,022,100	1,239,644	<b>9,261,744</b>	7,128,691	1,229,842	<b>8,358,533</b>
Foreign exchange	(71,357)	(2,196)	<b>(73,553)</b>	666,825	(1,709)	<b>665,116</b>
	91,268,839	2,213,182	<b>93,482,021</b>	101,764,389	2,298,308	<b>104,062,697</b>
<b>Operating loss</b>	(8,788,689)	(1,323,014)	<b>(10,111,703)</b>	(5,098,832)	(1,731,400)	<b>(6,830,232)</b>
Net interest expenses	(1,361,037)	(25,260)	<b>(1,386,297)</b>	(288,634)	(6,851)	<b>(295,485)</b>
<b>Loss before income taxes</b>	<b>(10,149,726)</b>	<b>(1,348,274)</b>	<b>(11,498,000)</b>	<b>(5,387,466)</b>	<b>(1,738,251)</b>	<b>(7,125,717)</b>

# NanoXPlore

Performance Through Carbon Chemistry

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