

PyroGenesis Inc.
(formerly PyroGenesis Canada Inc.)

Condensed Consolidated Interim Financial Statements
As at March 31, 2025 and for the three-month periods ended March 31, 2025 and 2024
(Unaudited)

The accompanying unaudited condensed consolidated financial statements of PyroGenesis Inc. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements for the period ended March 31, 2025.

March 31, 2025.

PyroGenesis Inc.
Condensed Consolidated Interim Statements of Financial Position

(Unaudited)
(In Canadian dollars)

	Note	March 31, 2025	December 31, 2024
		\$	\$
Assets			
<i>Current assets</i>			
Cash		224,172	2,975,461
Accounts receivable	6	5,834,773	9,624,611
Costs and profits in excess of billings on uncompleted contracts	7	422,329	1,209,479
Inventory		2,664,036	2,542,633
Investment tax credits receivable	8	237,616	237,616
Income taxes receivable		16,820	16,810
Current portion of deposits		821,127	693,729
Current portion of royalties receivable		228,771	1,041,419
Contract assets		447,719	441,991
Prepaid expenses		1,232,068	567,471
Total current assets		12,129,431	19,351,220
<i>Non-current assets</i>			
Deposits		99,238	99,238
Strategic investments	9	4,243,746	30,774
Property and equipment		2,665,254	2,838,810
Right-of-use assets		4,580,835	4,763,389
Royalties receivable		544,730	529,137
Intangible assets		1,691,143	1,588,107
Total assets		25,954,377	29,200,675
Liabilities			
<i>Current liabilities</i>			
Bank indebtedness		–	88,046
Accounts payable and accrued liabilities	10	13,207,458	12,855,422
Billings in excess of costs and profits on uncompleted contracts	11	10,149,858	9,010,451
Current portion of term loans	12	90,000	90,000
Current portion of lease liabilities		2,491,256	2,571,377
Current portion of balance due on business combination		1,807,011	1,787,271
Current portion of convertible debentures		1,086,848	1,021,596
Current portion of convertible loan	13	–	1,143,602
Total current liabilities		28,832,431	28,567,765
<i>Non-current liabilities</i>			
Lease liabilities		3,155,084	3,204,091
Term loans	12	204,047	218,774
Convertible debentures		406,473	673,433
Total liabilities		32,598,035	32,664,063
Shareholders' equity			
Common shares	14	95,975,336	94,800,796
Warrants		421,016	421,016
Contributed surplus		29,793,656	29,604,640
Equity portion of the convertible debentures		217,663	217,663
Equity portion of the convertible loan		–	176,349
Accumulated other comprehensive income (loss)		(225,558)	(120,070)
Deficit		(132,825,771)	(128,563,782)
Total shareholders' equity (deficiency)		(6,643,658)	(3,463,388)
Total liabilities and shareholders' equity (deficiency)		25,954,377	29,200,675

The accompanying notes form an integral part of the condensed consolidated interim financial statements.
Contingent liabilities, Note 21

PyroGenesis Inc.
Condensed Consolidated Interim Statements of Comprehensive Loss

(Unaudited)
(In Canadian dollars)

	Note	Three months ended March 31,	
		2025	2024
		\$	\$
Revenues			
	5	2,987,535	3,486,397
Cost of sales and services		2,189,052	2,730,052
Gross profit		798,483	756,345
Expenses			
Selling, general and administrative		3,736,423	4,538,478
Research and development, net		309,371	233,088
		4,045,794	4,771,566
Net loss from operations		(3,247,311)	(4,015,221)
Loss from changes in fair value of strategic investments	9	(728,468)	(188,318)
Financial income (expense), net	17	(286,210)	(195,304)
Loss before income taxes		(4,261,989)	(4,398,843)
Net loss		(4,261,989)	(4,398,843)
Other comprehensive loss			
Items that will be reclassified subsequently to profit or loss			
Foreign currency translation loss on investments in foreign operations		(105,488)	(7,042)
Comprehensive loss		(4,367,477)	(4,405,885)
Loss per share			
Basic	18	(0.02)	(0.02)
Diluted	18	(0.02)	(0.02)

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

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

(Unaudited)
(In Canadian dollars)

	Note	Number of common shares	Common shares	Warrants	Contributed surplus ⁽¹⁾	Equity portion of convertible debentures and loan ⁽¹⁾	Accumulated other comprehensive loss	Deficit	Total
			\$	\$	\$	\$	\$	\$	\$
December 31, 2024		184,143,645	94,800,796	421,016	29,604,640	394,012	(120,070)	(128,563,782)	(3,463,388)
Shares issued upon conversion of Convertible loan	13	2,541,683	1,174,540	–	176,349	(176,349)	–	–	1,174,540
Share-based compensation expense	14	–	–	–	12,667	–	–	–	12,667
Other comprehensive loss for the period		–	–	–	–	–	(105,488)	–	(105,488)
Net loss		–	–	–	–	–	–	(4,261,989)	(4,261,989)
March 31, 2025		186,685,328	95,975,336	421,016	29,793,656	217,663	(225,558)	(132,825,771)	(6,643,658)
December 31, 2023		178,880,395	90,670,080	421,016	27,586,626	394,012	(11,279)	(121,889,032)	(2,828,577)
Share-based payments	14	–	–	–	479,598	–	–	–	479,598
Other comprehensive loss for the period		–	–	–	–	–	(7,042)	–	(7,042)
Net loss		–	–	–	–	–	–	(4,398,843)	(4,398,843)
March 31, 2024		178,880,395	90,670,080	421,016	28,066,224	394,012	(18,321)	(126,287,875)	(6,754,864)

⁽¹⁾ The equity portion of the convertible loan was reclassified to contributed surplus upon redemption of the convertible loan during the period.

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

PyroGenesis Canada Inc.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited)
(In Canadian dollars)

	Note	Three months ended March 31,	
		2025	2024
		\$	\$
Cash flows provided by (used in)			
Operating activities			
Net loss		(4,261,989)	(4,398,843)
Adjustments for:			
Share-based compensation expense	16	12,667	479,598
Depreciation of property and equipment	16	180,323	105,941
Depreciation of right-of-use assets	16	182,554	181,193
Amortization of intangible assets	16	11,107	86,990
Amortization of contract assets		–	16,341
Net financial expenses	17	286,210	195,304
Change in fair value of investments		728,468	188,318
Unrealized foreign exchange		(104,564)	(24,811)
		(2,965,224)	(3,169,969)
Net change to working capital items	15	937,215	406,697
		(2,028,009)	(2,763,272)
Investing activities			
Additions to property and equipment		(2,266)	–
Additions to intangible assets		(114,143)	(81,223)
Disposal of property and equipment		–	42,219
Disposal of strategic investments		–	1,627,963
		(116,409)	1,588,959
Financing activities			
Decrease in bank indebtedness		(88,046)	(1,902)
Interest paid		(63,264)	(56,859)
Repayment of term loans		(22,500)	(50,000)
Repayment of lease liabilities		(129,127)	(165,033)
Repayment of convertible debentures		(303,000)	(202,000)
		(605,937)	(475,794)
Effect of exchange rate changes on cash denominated in foreign currencies		(934)	17,419
Net decrease in cash		(2,751,289)	(1,632,688)
Cash - beginning of period		2,975,461	1,802,616
Cash - end of period		224,172	169,928
Supplemental cash flow disclosure			
Non-cash transactions:			
Interest accretion on, and revaluation of balance due on business combination		19,740	(21,833)
Interest accretion on royalties receivable		(22,141)	(22,385)
Interest accretion on term loan		(7,773)	(3,257)
Interest accretion on convertible debenture		53,529	38,037
Interest accretion on convertible loan		30,908	39,160

The accompanying notes form an integral part of the condensed consolidated interim financial statements

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

1. Nature of operations and change in name

PyroGenesis Inc. (formerly PyroGenesis Canada Inc.) and its subsidiaries (collectively, the “Company”), incorporated under the laws of the Canada Business Corporations Act, was formed on July 11, 2011. The Company owns patents of advanced waste treatment systems technology and designs, develops, manufactures, and commercialises advanced plasma processes and sustainable solutions to reduce greenhouse gases. The Company is domiciled at its newly established headquarters, 1100 René-Lévesque Blvd. West, Suite 1825, Montreal, Quebec. The Company is publicly traded on the TSX Exchange under the Symbol “PYR”, on the OTCQX Best Market under the symbol “PYRGF” and on the Frankfurt Stock Exchange (FSX) under the symbol “8PY1”. Effective November 5, 2024, the Company changed its name from PyroGenesis Canada Inc. to PyroGenesis Inc., reflecting a strategic evolution aligned with the Company’s ongoing expansion and its commitment to serving a global market.

2. Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis, which presumes that the Company will be able to continue its operations for the foreseeable and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company is subject to certain risks and uncertainty associated with the achievement of profitable operations such as the successful signing and delivery of contracts and access to adequate financing.

The Company has incurred, in the last years, operating losses and negative cash flows from operations, and as a result, the Company has an accumulated deficit of \$132,825,771 as at March 31, 2025 (\$128,563,782 as at December 31, 2024). Furthermore, there have been unexpected delays in the collection of certain accounts receivable from contracts closed in a prior year. This has resulted in a shortfall in cash flows from operating activities that would be used in funding the Company’s operations.

As at March 31, 2025, the Company has working capital deficiency of \$16,703,000 (working capital deficiency of \$9,216,545 as at December 31, 2024) including cash of \$224,172 (\$2,975,461 as at December 31, 2024). The working capital is net of an allowance for credit losses amounting to \$3,492,000 (\$2,936,000 as at December 31, 2024) as further described in Notes 6 and 7. The Company’s business plan is dependent upon the successful completion of contracts and also the receipt of payments from certain contracts closed in a prior year and expects these payments to be made during fiscal 2025, as well as the achievement of profitable operations through the signing, completion and delivery of additional contracts or a reduction in certain operating expenses. In the absence of this, the Company is dependent upon raising additional funds to finance operations within and beyond the next twelve months. The Company has been successful in securing financing in the past and has relied upon external financing to fund its operations, primarily through the issuance of equity, debt and convertible debentures. The Company completed a private placement in March 2023 for net proceeds of \$4,960,483. In addition, in July 2023, the Company also completed a brokered private placement of convertible debenture units for gross proceeds of \$3,030,000 and in December 2023, the Company also completed a brokered private placement of convertible debenture units for gross proceeds of \$1,250,000. In July 2024, the Company secured gross proceeds of \$2,804,600 from the completion of another private placement. While the Company has been successful in securing financing, raising additional funds is dependent on a number of factors, some of which are outside the Company’s control, and therefore there is no assurance that it will be able to do so in the future or that these sources will be available to the Company or that they will be available on terms which are acceptable to the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue operating as a going concern.

The condensed consolidated interim financial statements have been prepared on a going concern basis and do not include any adjustments to the amounts and to classifications of the assets and liabilities that might be necessary should the Company be unable to achieve its plan and continue in business. If the going concern assumption were not appropriate, adjustments, which could be material, would be necessary to the carrying value of assets and liabilities, the reported expenses, and the classification of items on the condensed consolidated interim statement of financial position.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

3. Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Statements, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements do not include all of the necessary information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2024.

These financial statements were approved and authorized for issuance by the Board of Directors on May 13, 2025.

(b) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of PyroGenesis, and Pyro Green-Gas Inc. The functional currency of Airscience Italia SRL is the euro whereas the functional currency of Airscience Technologies Private Limited is the Indian rupee, and Drosrite International LLC's functional currency is the US dollar.

(c) Basis of measurement

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for:

- (i) strategic investments which are accounted for at fair value,
- (ii) stock-based payment arrangements, which are measured at fair value on the grant date pursuant to IFRS 2, Share-based Payment; and
- (iii) lease liabilities, which are initially measured at the present value of minimum lease payments

(d) Basis of consolidation

For financial reporting purposes, subsidiaries are defined as entities controlled by the Company. The Company controls an entity when it has power over the investee; it is exposed to, or has rights to, variable returns from its involvement with the entity; and it has the ability to affect those returns through its power over the entity.

In instances where the Company does not hold a majority of the voting rights, further analysis is performed to determine whether or not the Company has control of the entity. The Company is deemed to have control when, according to the terms of the shareholder's and/or other agreements, it makes most of the decisions affecting relevant activities.

These condensed consolidated interim financial statements include the accounts of PyroGenesis and its subsidiaries, PyroGenesis International LLC (formerly Drosrite International LLC) and Pyro Green-Gas Inc. and its subsidiaries. Drosrite International LLC was owned by a member of the Company's management personnel and close member of the Chief Executive Officer ("CEO") and controlling shareholder's family and is deemed to be controlled by the Company. In July 2024, the Company acquired Drosrite International LLC and renamed the entity to PyroGenesis International. All transactions and balances between the Company and its subsidiaries have been eliminated upon consolidation.

The accounting policies disclosed in the December 31, 2024, year-end consolidated financial statements have been applied consistently in the preparation of these condensed consolidated interim financial statements. Financial income (expenses) and changes in fair value of strategic investments are excluded from the loss from operations in the consolidated statements of comprehensive loss.

4. Significant accounting judgments, estimates and assumptions

The significant judgments, estimates and assumptions applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its audited annual consolidated financial statements as at and for the year ended December 31, 2024.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

5. Revenues

The following is a summary of the Company's revenues from contracts by product line:

	March 31, 2025	March 31, 2024
	\$	\$
Revenue from contracts with customers by product line:		
High purity metallurgical grade silicon & solar grade silicon from quartz (PUREVAP™)	159,830	394,444
Aluminium and zinc dross recovery (DROSRITE™)	168,740	663,185
Development and support related to systems supplied to the U.S. Navy	217,867	1,044,434
Torch-related sales	530,267	877,048
Refrigerant destruction (SPARC™)	276,784	102,718
Biogas upgrading and pollution controls	1,412,461	32,049
Other sales and services	221,586	372,519
	2,987,535	3,486,397

The following is a summary of the Company's revenues by revenue recognition method:

	March 31, 2025	March 31, 2024
	\$	\$
Revenue from contracts with customers:		
Sales of goods under long-term contracts recognized over time	2,561,212	2,384,357
Sales of goods at a point of time	426,323	1,102,040
	2,987,535	3,486,397

See Note 23 for sales by geographic area.

Transaction price allocated to remaining performance obligations

As at March 31, 2025, revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date is \$52,020,479 (\$51,912,416 as at December 31, 2024). Revenue will be recognized as the Company satisfies its performance obligations under long-term contracts, which is expected to occur over the next 3 years.

6. Accounts receivable

Details of accounts receivable based on past due terms were as follows:

	March 31, 2025	December 31, 2024
	\$	\$
Current	1,561,332	1,405,942
1 – 30 days	396,943	100,086
31 – 60 days	996,193	9,726
61 – 90 days	5,645	232,059
Greater than 90 days	4,275,540	8,823,637
Holdback receivable	585,375	705,214
Total trade accounts receivable	7,821,028	11,276,664
Allowance for expected credit loss	(3,013,000)	(2,504,500)
Other receivables	432,249	310,810
Sales tax receivable	594,496	541,637
	5,834,773	9,624,611

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

As at March 31, 2025 the allowance for expected credit loss on trade accounts receivable is \$3,013,000 (\$2,504,500 as at December 31, 2024), whereby a net of \$508,500 was recognized during the period (net reversal of \$6,094,340 during fiscal 2024). The credit loss allowance on trade accounts receivable at March 31, 2025, includes \$2,317,000 attributable to one specific customer, whereby the carrying amount has been reduced from \$4,067,198 to \$1,750,198. The carrying value of all other trade receivables was reduced from \$3,753,830 to \$3,057,830. On the basis of the Company's expected credit loss policy, the allowance was determined generally by applying a loss rate of 1% on balances 1-30 days past the invoice date, 2% for 31-60 days, 3% for 61-90 days and a minimum of 10% for those beyond 90 days. Specific consideration was applied for situations where the receivable is a holdback on a contract, and also for customers that have exceeded normal payment terms.

The closing balance of the trade receivables credit loss allowance as at March 31, 2025, reconciles with the trade receivables credit loss allowance opening balance as follows:

	\$
Loss allowance at December 31, 2023	8,597,635
Reversal recognized during the year	(8,067,540)
Loss recorded during the year	1,973,200
Foreign exchange	1,205
Loss allowance at December 31, 2024	2,504,500
Reversal recognized during the period	(59,500)
Loss recorded during the period	397,072
Foreign exchange	170,928
Loss allowance at March 31, 2025	3,013,000

7. Costs and profits in excess of billings on uncompleted contracts

As at March 31, 2025, the Company had ten contracts with total billings of \$16,937,471 which were less than total costs incurred and had recognized cumulative revenue of \$17,838,800 since those projects began. This compares with twelve contracts with total billings of \$16,296,387 which were less than total costs incurred and had recognized cumulative revenue of \$17,937,366 as at December 31, 2024.

The net amount of \$422,329 as at March 31, 2025, includes an expected credit loss allowance of \$479,000 (\$431,500 as at December 31, 2024). On the basis of the Company's expected credit loss policy, the allowance was determined generally by applying a loss rate of 2% on all balances, and adjusting for specific situations, such as past due customers, whereby the loss rate varied from 25% to 50%, or greater, if needed.

Changes in costs and profits in excess of billings on uncompleted contracts during the period are explained by \$823,283 (\$734,701 as at December 31, 2024) recognized at the beginning of the year being transferred to accounts receivable, \$83,633 (\$1,046,367 as at December 31, 2024) resulting from changes in the measure of progress and the variation in expected credit loss allowance of \$47,500 (\$249,000 as at December 31, 2024).

8. Investment tax credits

An amount recognized in the three-month period ended March 31, 2025, included \$Nil (\$54,519 as at December 31, 2024) of investment tax credits earned during the period, \$Nil (\$23,345 as at December 31, 2024) of the investment tax credits recognized during the period was recorded against cost of sales and services, \$Nil (\$31,174 as at December 31, 2024) against research and development expenses and \$Nil (\$Nil as at December 31, 2024) against selling general and administrative expenses.

Eligible scientific research and experimental development ("SR&ED") expenses during the period amounted to \$445,574 (\$1,698,113 as at December 31, 2024) less investment tax credits of \$Nil (\$54,519 as at December 31, 2024), less government grants of \$Nil (\$529,559 as at December 31, 2024) totalling \$445,574 (\$1,114,035 as at December 31, 2024).

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

9. Strategic investments

	March 31, 2025	December 31, 2024
	\$	\$
Beauce Gold Fields ("BGF") shares – level 1	41,032	30,774
HPQ Silicon Inc. ("HPQ") shares - level 1	3,683,619	–
HPQ warrants – level 3	519,095	–
	4,243,746	30,774

The change in the strategic investments is summarized as follows:

	("BGF") shares – level		("HPQ") shares - level 1		HPQ warrants – level 3		Total
	Quantity	\$	Quantity	\$	Quantity	\$	\$
Balance, December 31, 2023	1,025,794	35,903	11,434,200	2,515,524	6,800,000	–	2,551,427
Disposed	–	–	(11,434,200)	(2,287,785)	–	–	(2,287,785)
Expired	–	–	–	–	(6,800,000)	–	–
Change in the fair value	–	(5,129)	–	(227,739)	–	–	(232,868)
Balance, December 31, 2024	1,025,794	30,774	–	–	–	–	30,774
Additions ⁽¹⁾	–	–	17,968,873	4,312,529	17,968,873	628,911	4,941,440
Change in the fair value	–	10,258	–	(628,910)	–	(109,816)	(728,468)
Balance, March 31, 2024	1,025,794	41,032	17,968,873	3,683,619	17,968,873	519,095	4,243,746

⁽¹⁾ The Company concluded an agreement with HPQ Silicon, whereby \$819,197 of royalties receivable and \$4,122,243 of trade accounts receivable of HPQ Silicon (for a total of \$4,941,440) were exchanged in a debt-to-equity conversion. As a result, the Company received 17,968,873 common shares and 17,968,873 share purchase warrants of HPQ Silicon.

At March 31, 2025, the fair value of the HPQ warrants was measured using the Black-Scholes option pricing model using the following assumptions:

	March 31, 2025
Number of warrants	17,968,873
Date of issuance	January 15, 2025
Exercise price (\$)	0.29
Assumptions under the Back-Scholes model:	
Fair value of the shares (\$)	0.09
Risk free interest rate (%)	2.79
Expected volatility (%)	81.72
Expected dividend yield	–
Contractual remaining life (in months)	22

As at March 31, 2025, a loss from initial recognition of the warrants of \$907,674 (\$Nil at December 31, 2024) has been deferred off balance sheet until realized.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

10. Accounts payable and accrued liabilities

	March 31, 2025	December 31, 2024
	\$	\$
Accounts payable	8,155,851	7,450,691
Accrued liabilities	3,474,026	4,028,906
Sale commissions payable ⁽¹⁾	687,515	778,645
Accounts payable to the controlling shareholder and CEO	890,066	597,180
	13,207,458	12,855,422

⁽¹⁾ Sale commissions payable relates to the costs to obtain long-term contracts with clients.

11. Billings in excess of costs and profits on uncompleted contracts

The amount to date of costs incurred and recognized profits less recognized losses for construction projects in progress amounted to \$34,917,170 (\$33,038,728 as at December 31, 2024).

Payments to date received were \$45,067,029 on contracts in progress (\$42,049,179 as at December 31, 2024).

Changes in billings in excess of costs and profits on uncompleted contracts during the period are explained by \$1,324,957 (\$5,659,170 in 2024) recognized at the beginning of the year being recognized as revenue, and an increase of \$2,464,364 (\$3,677,495 in 2024) resulting from cash received excluding amounts recognized as revenue.

12. Term loans

	Economic Development Agency of Canada Loan ⁽¹⁾
	\$
Balance, December 31, 2024	308,774
Accretion	7,773
Payments	(22,500)
Balance, March 31, 2025	294,047
Less current portion	(90,000)
Balance non-current, March 31, 2025	204,047

⁽¹⁾ Maturing in 2029, non-interest bearing, payable in equal instalments of \$7,500 from April 2024 to March 2029.

13. Convertible loan

In February 2025, the Company and Fiducie de Crédit Mellon Trust converted the \$1,250,000 convertible loan into common shares of the Company. As a result, 2,541,683 common shares were issued upon conversion of the entire loan balance. These common shares were recognized at the convertible loan's carrying value at the time of the transaction, which was \$1,174,540. In addition, the equity portion on the convertible loan was reclassified to contributed surplus, in the Consolidated Statement of Changes in Shareholder's Equity.

14. Shareholders' equity

Common shares and warrants

Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

Issuance of units

On July 22, 2024, the Company completed a non-brokered private placement consisting of the issuance and sale of 3,505,750 units of the Company at a price of \$0.80 per unit, for net proceeds of \$2,804,600. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at a price of \$1.20 until July 21, 2025. The entire amount is allocated to the common shares as the fair value of the common shares on July 22, 2024, was \$0.86 per common share.

Stock options

The Company has a stock option plan authorizing the Board of Directors to grant options to directors, officers, employees and consultants to acquire common shares of the Company at a price computed by reference to the closing market price of the shares of the Company on the business day before the Company notifies the stock exchanges of the grant of the option. The number of shares which may be granted to any one person shall not exceed 5% (2% for consultants) of total share capital over a twelve-month period.

The following table sets out the activity in stock options:

	Number of options	Weighted average exercise price
		\$
Balance – December 31, 2023	10,862,500	3.17
Granted	2,750,000	0.75
Exercised ⁽¹⁾	(300,000)	0.45
Forfeited	(102,500)	2.21
Balance, December 31, 2024	13,210,000	2.74
Granted	700,000	0.57
Forfeited	(580,000)	1.07
Balance, March 31, 2025	13,330,000	2.69

⁽¹⁾ The weighted fair market value of the share price for options exercised in 2024 was \$0.75.

Grants in 2025

In January 2025, the Company granted 50,000 stock options to the President and Chief Executive Officer of the Company, and 650,000 stock options to members of its Board of Directors. The stock options have an exercise price of \$0.57 per common share, vest immediately and are exercisable over a period of five (5) years. The Company accounted for an expense amounting to \$281,722 related to these options as the stock options granted related to the services in 2024 and there was a shared understanding of the terms and conditions related to such grant prior to the grant date.

Grants in 2024

In January 2024, the Company granted 50,000 stock options to the President and Chief Executive Officer of the Company, and 600,000 stock options to members of its Board of Directors. The stock options have an exercise price of \$0.43 per common share, vest immediately and are exercisable over a period of five (5) years. The Company accounted for an expense amounting to \$193,506 related to these options as the stock options granted related to the services in 2023 and there was a shared understanding of the terms and conditions related to such grant prior to the grant date.

In May 2024, the Company granted 100,000 stock options to a member of its Board of Directors. The stock options have an exercise price of \$0.56 per common share, The 100,000 options will vest as follows: 30 percent as of the day of the grant, 35 percent on May 1, 2025, and 35 percent on May 1, 2026, and are exercisable over a period of five (5) years.

In October 2024, the Company granted 2,000,000 stock options. The stock options have an exercise price of \$0.85 per common share. The 2,000,000 options will vest as follows: 10 percent as of the day of the grant, 40 percent on October 18,

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

2024, 30 percent on October 18, 2025, and 20 percent on October 18, 2026, and are exercisable over a period of five (5) years.

The Company recorded an expense amounting to \$1,518,868 related to these options in fiscal 2024.

The weighted average fair value of stock options granted for the three-month period ended March 31, 2025, was \$0.40 (\$1.03 for the three-month period ended March 31, 2024). The weighted average fair value of each option granted was estimated at the grant date for purposes of determining share-based payment expense using the Black-Scholes option pricing model based on the following weighted-average assumptions:

	2024		
	700,000	2,000,000	100,000
Number of options granted			
Exercise price (\$)	0.57	0.85	0.56
Fair value of each option under the Black-Scholes pricing model (\$)	0.40	0.60	0.39
Assumptions under the Black-Scholes model:			
Fair value of the shares (\$)	0.57	0.85	0.56
Risk-free interest rate (%)	2.95	3.04	3.77
Expected volatility (%)	89.52	89.09	87.91
Expected dividend yield	—	—	—
Expected life (number of months)	60	60	60

The underlying expected volatility was determined by reference to historical data of the Company's share price. No special features inherent to the stock options granted were incorporated into the measurement of fair value.

As at March 31, 2025, the outstanding options, as issued under the stock option plan to directors, officers, employees and consultants for the purchases of one common share per option, are as follows:

Grant date	Number of stock options			Number of stock options March 31, 2025	Number of stock options vested ⁽¹⁾	Exercise price per option	Expiry date
	December 31, 2024	Granted	Forfeitures				
						\$	
July 16, 2020	2,140,000	—	—	2,140,000	2,140,000	4.41	July 16, 2025
October 26, 2020	50,000	—	—	50,000	50,000	4.00	October 26, 2025
April 6, 2021	550,000	—	—	550,000	550,000	8.47	April 6, 2026
June 1, 2021	200,000	—	—	200,000	200,000	6.59	June 1, 2026
June 14, 2021	100,000	—	—	100,000	100,000	6.70	June 14, 2026
October 14, 2021	100,000	—	—	100,000	100,000	5.04	October 14, 2026
December 17, 2021	1,920,000	—	—	1,920,000	1,920,000	3.13	December 17, 2026
December 31, 2021	100,000	—	—	100,000	100,000	3.61	December 31, 2026
January 3, 2022	450,000	—	—	450,000	450,000	3.36	January 3, 2027
April 5, 2022	400,000	—	(60,000)	340,000	240,000	2.96	April 5, 2027
June 2, 2022	1,500,000	—	—	1,500,000	1,125,000	3.88	June 2, 2027
January 2, 2023	1,525,000	—	(20,000)	1,505,000	1,175,000	1.03	January 2, 2028
April 11, 2023	100,000	—	—	100,000	30,000	1.09	April 11, 2028
September 29, 2023	1,425,000	—	—	1,425,000	1,425,000	0.53	September 29, 2028
January 1, 2024	550,000	—	—	550,000	550,000	0.43	January 1, 2029
May 1, 2024	100,000	—	—	100,000	30,000	0.56	May 1, 2029
October 8, 2024	2,000,000	—	(500,000)	1,500,000	1,000,000	0.85	October 8, 2029
January 1, 2025	—	700,000	—	700,000	700,000	0.57	January 1, 2030
	13,210,000	700,000	(580,000)	13,330,000	11,885,000	2.69	

⁽¹⁾ At March 31, 2025, the weighted average exercise price for options outstanding which are exercisable was \$2.80.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

For the three-month period ended March 31, 2025, a stock-based compensation expense of \$12,667 was recorded in Selling, general and administrative expenses in the condensed consolidated statements of comprehensive loss, (\$479,598 for the three-month period ended March 31, 2024).

At March 31, 2025, an amount of \$322,973 (\$768,054 at December 31, 2024) remains to be amortized until January 2030 related to the grant of stock options.

Share purchase warrants

The following table reflects the activity in warrants during the period ended March 31, 2025, and the number of issued and outstanding share purchase warrants at March 31, 2025:

Issuance date	Number of warrants December 31,		Number of warrants March 31, 2025	Exercise price per warrant (\$)	Expiry date
	2024	Expired			
March 8, 2023	2,619,650	(2,619,650)	—	1.25	March 7, 2025
March 8, 2023	1,710,350	(1,710,350)	—	0.75	March 7, 2025
July 21, 2023	2,000,000	—	2,000,000	1.25	July 20, 2025
July 21, 2023	680,000	—	680,000	0.75	July 20, 2025
July 21, 2023 ⁽¹⁾	51,243	—	51,243	1.25	July 20, 2025
December 20, 2023	625,000	—	625,000	0.41	June 20, 2025
July 22, 2024	3,505,750	—	3,505,750	1.20	July 22, 2025
	11,191,993	(4,330,000)	6,861,993		

⁽¹⁾ As part of the issuance of convertible debentures, 51,243 broker warrants were issued with an exercise price of \$1.25 and expiring 24 months following the closing date.

15. Supplemental disclosure of cash flow information

	March 31, 2025	March 31, 2024
	\$	\$
Accounts receivable	(332,406)	(249,265)
Costs and profits in excess of billings on uncompleted contracts	787,150	1,224
Inventory	(121,403)	(198,800)
Investment tax credits receivable	—	(14,132)
Deposits	(127,398)	(40,016)
Contract assets & other assets	(5,728)	—
Prepaid expenses	(664,597)	(850,652)
Accounts payable and accrued liabilities	262,190	1,964,024
Billings in excess of costs and profits on uncompleted contracts	1,139,407	(205,686)
	937,215	406,697

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

16. Supplemental disclosure on statements of comprehensive loss

	March 31, 2025	March 31, 2024
	\$	\$
Cost of Sales and Services:		
Employee benefits	881,041	1,070,020
Amortization of intangible assets	11,107	86,990
Inventories recognized in cost of sales	33,766	91,555
Selling, General and Administrative Expenses:		
Employee benefits	1,934,482	2,158,030
Share-based compensation expense	12,667	479,598
Government grants	856	34,900
Depreciation of property and equipment	180,323	105,941
Depreciation of right-of-use assets	182,554	181,193

17. Financial expenses (income), net

	March 31, 2025	March 31, 2024
	\$	\$
Financial expenses		
Interest on lease liabilities	63,263	56,859
Interest on convertible debentures	47,762	74,908
Interest on convertible loan	5,313	8,333
Interest accretion on and revaluation of balance due on business combination	19,740	–
Interest accretion on long term loans	7,773	(3,257)
Interest accretion on convertible debentures	53,529	38,037
Interest accretion on convertible loan	30,908	39,160
Penalties and other interest expenses	80,063	25,482
	308,351	239,522
Financial income		
Interest accretion on and revaluation of balance due on business combination	–	(21,833)
Accretion interest on royalties receivable	(22,141)	(22,385)
Net financial expenses (income)	286,210	195,304

18. Loss per share

The following table provides a reconciliation between the number of basic and fully diluted shares outstanding for the three-month period ended March 31:

	March 31, 2025	March 31, 2024
	\$	\$
Weighted average number of common shares outstanding	190,085,328	178,880,395
Weighted average number of diluted shares outstanding	190,085,328	178,880,395
Number of anti-dilutive stock options and warrants excluded from fully diluted earnings per share calculation	16,791,993	19,187,100

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

19. Related party transactions

During the three-month period ended March 31, 2025, and during 2024, the Company concluded the following transactions with related parties:

A balance due to the controlling shareholder and CEO of the Company amounted to \$890,066 at March 31, 2025, (\$597,180 at December 31, 2024) and is included in accounts payable and accrued liabilities.

In May 2024, the President and CEO provided a \$1,000,000 loan to the Company, bearing interest at 10%, with a maximum term of twelve months. The borrower agreed to waive the interest expense if the loan is repaid within sixty days from the loan date. The loan was repaid in July 2024.

In July 2024, the President and CEO, along with close family members, participated in a non-brokered private placement for gross proceeds of \$1,160,000 and \$278,400, respectively. Two directors of the Company also participated for a total amount of \$45,200.

The key management personnel of the Company, in accordance with IAS 24 Related Party Disclosures, are the members of the Board of Directors and certain officers. Total compensation to key management consisted of the following:

	March 31, 2025	March 31, 2024
	\$	\$
Salaries – key management	443,691	353,714
Pension contributions	8,143	6,575
Fees – Board of Directors	40,600	47,000
Share-based compensation – officers	121,464	188,319
Share-based compensation – Board of Directors	48,002	213,066
Other benefits – key management	152,992	3,934
Total compensation	814,892	812,608

20. Financial instruments

As part of its operations, the Company carries a number of financial instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed. The Company's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivative financial instruments to hedge these risks.

Foreign currency risk

The Company enters into transactions denominated in US dollars and Euros, for which the related revenues, expenses, accounts receivable and accounts payable and accrued liabilities balances are subject to exchange rate fluctuations.

As at March 31, 2025, and December 31, 2024, the Company's exposure to foreign exchange risk for amounts denominated in US dollars and Euros is as follows, as expressed in Canadian dollars:

	March 31, 2025		December 31, 2024	
	US	Euro	US	Euro
	\$	\$	\$	\$
Cash	8,503	–	2,228,077	818,337
Accounts receivable	5,504,436	1,085,277	3,401,015	1,730,014
Accounts payable and accrued liabilities	(2,579,721)	(79,492)	(2,235,050)	(1,318,652)
Total	2,933,218	1,005,785	3,394,042	1,229,699

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Sensitivity analysis

At March 31, 2025, if the US dollar and Euro had changes by 10% against the Canadian dollar with all other variables held constant, the impact on pre-tax gain or loss and equity for the three-month period ended March 31, 2025, would have been \$293,322 and \$100,579, respectively (December 31, 2024 - \$339,404 and \$4,562, respectively).

Credit concentration

During the three-month period ended March 31, 2025, one customer accounted for 38% (March 31, 2024 – three customers for 51%) of revenues from operations.

	Three months ended March 31, 2025		Three months ended March 31, 2024	
	Revenues	% of total revenues	Revenues	% of total revenues
	\$	%	\$	%
Customer 1	1,143,749	38	867,040	25
Customer 2	–	–	515,811	15
Customer 3	–	–	394,453	11
Total	1,143,749	38	1,777,304	51

Two customers accounted for 52% and 13%, respectively (December 31, 2024 – two customers for 37% and 36%, respectively) of the total trade accounts receivable before expected credit loss allowance representing the Company's major credit risk exposure. Credit concentration is determined based on customers representing 10% or more of total revenues and/or total accounts receivable.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The maximum credit risk to which the Company is exposed as at March 31, 2025 represents the carrying amount of cash, accounts receivable (except sales tax receivable), costs and profits in excess of billings on uncompleted contracts, deposits and royalties receivable.

Cash is held with major reputable financial institutions.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's payment and delivery terms and conditions are offered. The Company's review could include reviewing external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. The Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer. In monitoring customer credit risk, customers are identified according to their characteristics such as their geographic location, industry, trading history with the Company and existence of previous financial difficulties.

The Company does not generally require collateral or other security from customers on accounts receivable, however, the contract terms may include the possibility of recourse in the event of late payment. The Company believes that there is no unusual exposure associated with the collection of these receivables.

The credit risk associated with costs and profits in excess of billings on uncompleted contracts is similar to that of accounts receivable, as these amounts are accumulated and converted to accounts receivable as invoicing milestones are reached.

The royalties receivable are due from a company in which the Company has a strategic investment. The Company does not have collateral or other security associated with the collection of this receivable. The carrying amount of the royalties receivable have been discounted to reflect the time value of money and credit risk of the counterparty.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

The deposits are payments made to suppliers and entities from which the Company leases property. The Company does not have collateral or other security associated with the collection of these deposits. As at March 31, 2025 and December 31, 2024, no loss allowance has been recognized in connection with these deposits and the maximum exposure is the carrying amount of these deposits.

During the three-month period ended March 31, 2025, and the year-end December 31, 2024, provisions for expected credit losses were recorded, however, the accounts provisioned by the loss are still subject to enforcement activity in order to collect the balances due.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk, and on the fair value of investments or liabilities, known as price risks. The Company is exposed to a risk of fair value on term loans, and convertible debentures as those financial instruments bear interest at fixed rates. The Company has determined the risk not to be significant.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price (other than those arising from foreign currency risk and interest risk), whether those changes are caused by factors specific to the individual financial instrument or its issuers or factors affecting all similar financial instruments traded in the market. The most significant exposure to the price risk for the Company arises from its investments in shares and warrants of public companies quoted on the TSX Venture Exchange. If equity prices had increased or decreased by 25% as at March 31, 2025, with all other variables held constant, the Company's investments would have increased or decreased respectively, by approximately \$1,060,937 (\$7,694 as at December 31, 2024).

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities.

The following table summarizes the contractual amounts payable and maturities of financial liabilities and other liabilities at March 31, 2025:

	Carrying value	Total contractual amount	Less than one year	2-3 years	4-5 years	Over 5 years
	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities ⁽¹⁾	11,872,343	11,872,343	11,872,343	–	–	–
Term loans	294,047	360,000	90,000	180,000	90,000	–
Balance due on business combination	1,807,011	1,860,020	1,860,020	–	–	–
Lease liabilities	5,646,340	7,168,847	2,725,089	851,156	864,624	2,727,978
Convertible debentures	1,493,320	1,761,000	1,335,000	426,000	–	–
	21,113,061	23,022,210	17,882,452	1,457,156	954,624	2,727,978

⁽¹⁾ Accounts payable and accrued liabilities exclude amounts which are not financial liabilities.

The Company's Canadian subsidiary benefited from a line of credit of \$500,000 (\$88,046 was drawn on this facility as at December 31, 2024). In January 2025, the entirety of the facility was reimbursed, and the available facility was terminated.

A commercial bank issued standby letters of credit on behalf of the Company to customers in the amounts of \$220,000 and \$257,000 on advance guarantees secured by Export Development Canada. The letters of credit expire in March 2026 and November 2026, respectively.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

Fair value of financial instruments

The fair value represents the amount that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. The fair value estimates are calculated at a specific date taking into consideration assumptions regarding the amounts, the timing of estimated future cash flows and discount rates. Accordingly, due to its approximate and subjective nature, the fair value must not be interpreted as being realizable in an immediate settlement of the financial instruments.

There are three levels of fair value that reflect the significance of inputs used in determining fair values of financial instruments:

Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — inputs for the asset or liability that are not based on observable market data.

The fair values of cash, trade accounts receivable, other receivables, deposits, bank indebtedness, accounts payable and accrued liabilities approximate their carrying amounts due to their short-term maturities.

Investments in BGF and HPQ shares are valued at quoted market prices and are classified as Level 1.

Royalties receivable are discounted according to their corresponding agreements and are classified as Level 2.

Investments in HPQ warrants are valued using the Black-Scholes pricing model and are classified as Level 3 (Note 9).

The fair value of the term loans and the convertible debentures, as at March 31, 2025, is determined using the discounted future cash flows method and management's estimates for market interest rates for similar issuances. The balance due on business combination is determined by estimating the present value of probable future economic outflows from the settlement of the provisions contained in the purchase agreement. Accordingly, as a result, their fair market values correspond to their carrying amount. The term loans and convertible debentures are classified as level 2 and the balance due on business combination as Level 3.

The following table presents the variation of the balance due on business combination:

	\$
Balance due on business combination at December 31, 2023	1,726,510
Interest accretion	60,761
Balance due on business combination at December 31, 2024	1,787,271
Interest accretion	19,740
Balance due on business combination at March 31, 2025	1,807,011

21. Contingent liabilities

The Company is currently a party to various legal proceedings. If management believes that a loss arising from these proceedings is probable and can reasonably be estimated, that amount of the loss is recorded. As additional information becomes available, any potential liability related to these proceedings is assessed and the estimates are revised, if necessary. Based on currently available information, management believes that the ultimate outcome of these proceedings, individually and in aggregate, will not have a material adverse effect on the Company's financial position or overall trends in results of operations.

In August 2023, the Autorité des marchés financiers (the "AMF") initiated administrative proceedings against Mr. P. Peter Pascali, President and CEO, Mr. Alan Curleigh, Chair of the Board of Directors, and the Company with the Tribunal

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

administratif des marchés financiers. The allegations largely relate to a series of connected transactions that occurred in 2018. The administrative penalty sought by the AMF and attributable to the Company is \$550,000. The Company is currently assessing the merits of the AMF's allegations and therefore it is not possible to determine at this time an amount, if any, for the administrative penalty sought by the AMF, and accordingly, no provision has been recorded in this respect.

22. Capital management

The Company's objectives in managing capital are:

- a) To ensure sufficient liquidity to support its current operations and execute its business plan; and
- b) To provide adequate return to the shareholders

The Company's primary objectives when managing capital is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

The Company currently funds these requirements from cash flows from operations and with financing arrangements with third parties and shareholders. The Company is not subject to any externally imposed capital requirements.

The Company monitors its working capital in order to meet its financial obligations. On March 31, 2025, the Company's working capital deficiency was \$16,703,000 (\$9,216,545 at December 31, 2024).

The management of capital includes shareholders' deficiency for a total amount of \$6,643,658 and term loans of \$294,047 (\$3,463,388 and \$308,774 respectively at December 31, 2024), as well as cash amounting to \$224,172 (\$2,975,461 at December 31, 2024).

There were no significant changes in the Company's approach during the current three-month period and preceding fiscal year, however, in order to maintain or adjust the capital structure, the Company may issue new shares, sell portions of its strategic investment and periodically purchase its own shares on the open market.

23. Segment information

The Company operates in one segment, based on financial information that is available and evaluated by the Company's Board of Directors. The Company's head office is located in Montreal, Quebec. The operations of the Company are located in three geographic areas: Canada, Italy and India.

PyroGenesis Inc.

Notes to the Condensed Consolidated Interim Financial Statements

As at March 31, 2025 and for the periods ended March 31, 2025 and 2024

(Unaudited)

(In Canadian dollars)

The following is a summary of the Company's total revenues by geography:

	Three months ended March 31,	
	2025	2024
	\$	\$
Austria	27,503	–
Brazil	(2,946)	4,642
Canada	656,420	726,267
France	–	83,446
Germany	289	–
India	123,238	–
Mexico	55,837	268,733
Netherlands	21,231	12,395
New Zealand	276,784	102,718
Norway	(834)	–
Poland	43,051	85,734
Saudi Arabia	85,401	394,453
Spain	–	14,902
United States of America	1,701,561	1,793,107
	2,987,535	3,486,397

Revenue by product line and revenues recognized by revenue recognition method are presented in Note 5.

24. Subsequent Event

On May 5, 2025, the Company announced that it has completed a non-brokered private placement consisting of a loan (the "Loan") in the amount of up to \$5,750,000 with P. Peter Pascali (the "Lender"). The Loan may be advanced in up to three tranches, at such times and in such amounts as shall be mutually agreed upon by the Company and the Lender, provided that the final tranche shall be advanced no later than June 16, 2025. The Loan includes a one-time, non-refundable, upfront fee of \$300,000, and bears an interest rate of 5% per annum for the first year and 18% per annum thereafter. Interest is to be paid monthly. The Loan will mature three years following the effective date of the Loan. As part of the Loan, the Company granted to the Lender share purchase warrants to subscribe for up to 12,554,585 common shares of the Company at a purchase price of \$0.458 per share, which represents the per share volume weighted average trading price, "VWAP", of the common Shares on the TSX for the ten trading days immediately prior to the effective date of the Loan. The total number of warrants that will be issued shall equal the value of the Loan amount funded (or applicable tranche) divided by the purchase price per share. The warrants expire four years following their issuance date and will be subject to a hold period of four months and one day in accordance with applicable securities laws. The Loan will be secured by a hypothec on the universality of the Company's movable and immovable property.

Subsequently, on May 12, 2025, the Company announced that the first tranche was successfully closed, and the Company received \$2,385,000. As per the agreement, the Company issued 5,207,423 common share purchase warrants to the Lender.