

EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2025 and 2024
(US\$, except share data and per share data, or otherwise noted)

	September 30, 2025	September 3 0, 2024
	US\$	US\$
Assets		
Current Assets		
Cash and cash equivalents	4,754,522	1,150,042
Restricted cash	338,712	338,712
Accounts receivable, net	492,897	85,279
Other receivable	2,131,402	576,215
Prepaid expenses	590,443	1,202,991
Other prepaid for events	7,500,023	-
Inventory	46,381	48,470
Income tax receivable	450,000	889,766
 Total current assets	16,304,380	4,291,475
Non-current assets		
Property and equipment, net	433,677	1,597,823
Long-term prepaids	-	7,500,023
Intangible assets	4,243,423	4,464,226
Right-of-use assets	2,141,754	2,785,008
Goodwill	2,652,772	2,652,772
Total assets	25,776,006	23,291,327
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Current liabilities		
Accounts payable and other liabilities	1,952,161	3,233,471
Loan payable	-	409,956
Income tax payable	4,074	4,294
Due to related party	140,000	140,000
Lease liabilities – current	752,429	641,254
Deferred revenue	6,042,639	5,332,194
 Total current liabilities	8,891,303	9,761,169
Non-current liabilities		
Loan payable	409,956	-
Lease liabilities – non current	1,582,108	2,181,769
Deferred income tax liabilities	472,942	470,468
Total liabilities	11,356,309	12,413,406
Commitments and contingencies		
Shareholders' equity		
Common shares, US\$0.0015873 par value, 970,000,000 ordinary shares and 10,000,000 preferred shares authorized, 23,396,667 and 13,113,173 ordinary shares issued and outstanding as of September 30, 2025 and 2024, respectively	37,137	20,814
Additional paid-in capital	26,207,879	20,142,071
Deficit	(17,387,799)	(14,958,678)
Accumulated other comprehensive loss	(49,545)	(35,803)
Total shareholders' equity	8,807,672	5,168,404
Non-controlling interests	5,612,025	5,709,517
Total liabilities and shareholders' equity	25,776,006	23,291,327

EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED SEPTEMBER 30, 2025, 2024 AND 2023
(US\$, except share data and per share data, or otherwise noted)

	September 30, 2025	September 30, 2024	September 30, 2023
	US\$	US\$	US\$
Revenues	8,939,989	8,153,546	5,712,480
Costs of services	<u>3,014,119</u>	<u>2,840,112</u>	<u>1,502,255</u>
Gross profit	5,925,870	5,313,434	4,210,225
Operating costs and expenses:			
Selling expenses	1,366,760	1,537,006	1,018,894
General and administrative	<u>8,739,049</u>	<u>11,201,445</u>	<u>10,210,960</u>
Total operating costs and expenses	<u>10,105,809</u>	<u>12,738,451</u>	<u>11,229,854</u>
Loss from operations	(4,179,939)	(7,425,017)	(7,019,629)
Other (income) expenses:			
Other income	(1,619,373)	(495,276)	(186,137)
Interest income	<u>(37,337)</u>	<u>(22,731)</u>	<u>(53,089)</u>
Foreign exchange gain	-	-	(5)
Total other (income) expenses	<u>(1,656,710)</u>	<u>(518,007)</u>	<u>(239,231)</u>
Loss before provision for income taxes	(2,523,229)	(6,907,010)	(6,780,398)
Current income tax expense	910	18,186	11,590
Deferred income tax expense (recovery)	<u>2,474</u>	<u>(354,012)</u>	<u>(277,874)</u>
Income taxes expense (recovery)	<u>3,384</u>	<u>(335,826)</u>	<u>(289,464)</u>
Net loss	(2,526,613)	(6,571,184)	(7,069,862)
Net loss attributable to non-controlling interest	<u>(97,492)</u>	<u>(581,061)</u>	<u>(410,421)</u>
Net loss attributable to common stockholders	<u>(2,429,121)</u>	<u>(5,990,123)</u>	<u>(6,659,441)</u>
Unrealized foreign currency translation adjustment	<u>(13,742)</u>	<u>481</u>	<u>(7,345)</u>
Comprehensive loss	<u>(2,540,355)</u>	<u>(6,570,703)</u>	<u>(7,077,207)</u>
Basic & diluted net loss per share	(0.16)	(0.47)	(0.57)
Weighted average number of ordinary shares-basic and diluted	15,486,467	12,637,968	11,655,642

EPICQUEST EDUCATION GROUP INTERNATIONAL LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2025, 2024 AND 2023
(US\$, except share data and per share data, or otherwise noted)

	<u>September 30, 2025</u> US\$	<u>September 30, 2024</u> US\$	<u>September 30, 2023</u> US\$
Cash Flows from Operating Activities:			
Net loss	(2,526,613)	(6,571,184)	(7,069,862)
Adjustments for items not affecting cash:			
Depreciation and amortization	409,899	425,763	407,013
Share-based compensation	972,879	1,977,187	2,061,810
Provision for accounts receivable	67,519	-	-
Net gain from disposal of fixed assets	(480,235)	(477,115)	-
Impairment of goodwill	-	-	14,038
Gain from settlement of student deposit refunds with Renda	(1,200,000)	-	-
Deferred income tax expense	2,474	(354,012)	277,874
Changes in operating assets and liabilities			
Accounts receivable and other receivable	(2,030,324)	(414,866)	217,407
Prepaid expenses	612,548	1,020,250	(1,323,593)
Long-term prepaids	-	(7,500,023)	-
Operating lease – lease liabilities and right of use assets	154,768	25,064	(45,022)
Inventory	2,089	(7,285)	(21,170)
Accounts payable & accrued liabilities	(81,311)	1,112,423	(212,817)
Deferred revenue	710,445	1,274,677	(233,493)
Income tax receivable	439,547	7,399	254,342
Student deposits	-	-	(46,040)
Net cash used in operating activities	<u>(2,946,315)</u>	<u>(9,481,722)</u>	<u>(5,252,527)</u>
Cash Flows from Investing Activities:			
Purchase of property and equipment	(292,842)	(40,343)	(14,231)
Share buyback	-	-	(1,250,007)
Acquisition of additional interest in subsidiary	-	-	(187,505)
Net cash acquired from business acquisitions	-	-	574,108
Proceeds from sale of fixed assets	1,748,128	757,115	-
Net cash provided from (used in) investing activities	<u>1,455,286</u>	<u>716,772</u>	<u>(877,635)</u>
Cash Flows from Financing Activities:			
Long term investment received for Gilmore	-	3,737,727	-
Share issuances, net of issuance costs	5,109,250	800,000	-
Proceeds borrowed from third party	-	409,956	-
Net cash provided from financing activities	<u>5,109,250</u>	<u>4,947,683</u>	<u>-</u>
Effect of exchange rate changes on cash and cash equivalents	(13,741)	470	(7,346)
Net increase/(decrease) in cash, cash equivalents	3,604,480	(3,816,797)	(6,137,508)
Cash and cash equivalents and restricted cash, beginning of year	<u>1,488,754</u>	<u>5,305,551</u>	<u>11,443,059</u>
Cash and cash equivalents and restricted cash, end of year	<u>5,093,234</u>	<u>1,488,754</u>	<u>5,305,551</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:			
Interest paid	1,130	10,787	10,575
Income taxes paid	120,773	2,267,597	561,247
Non-cash investing activities – acquisition of operating lease right-of-used assets	120,759	2,238,099	572,564

The accompanying notes as filed in the Company's 20-F for fiscal 2025 form an integral part of these consolidated financial statements.