

PLANTIFY FOODS, INC.

Unaudited Interim Condensed Consolidated Financial Statements

As of September 30, 2024

Expressed in U.S. dollars in thousands

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of these condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

November 28, 2024

Plantify Foods, Inc.**Unaudited Interim Condensed Consolidated Statement of Financial Position**

U.S. dollars in thousands

	Notes	September 30, 2024	December 31, 2023
Assets			
Current			
Cash and cash equivalents		\$ 30	\$ 259
Account receivable		35	146
Other accounts receivable		5	65
Inventory		-	89
Total current assets		70	559
Non-current			
Investment in marketable securities		42	333
Long term restricted deposit		128	127
Property, plant and equipment, net		173	1,368
Total non-current assets		343	1,828
Total assets		\$ 413	\$ 2,387
Liabilities			
Current liabilities			
Trade payables		\$ 629	\$ 290
Other payables		430	388
Warrants	3	-	2
Short term bank loan including line of credit		297	92
Debentures		400	-
Short term lease liability		59	59
Convertible Debentures	4	1,342	1,263
Total current liabilities		3,157	2,094
Non-current liabilities			
Long term lease liability	6	439	494
Shareholders loan		125	170
Long term bank loan		234	310
Total non-current liabilities		798	974
Shareholders' equity (deficit)			
Capital reserve		66	73
Share capital and Additional paid in capital	7	8,042	6,456
Options reserve		182	230
Share purchase warrants reserve	7	-	1,419
Accumulated deficit		(11,832)	(8,859)
Total Shareholders' equity (deficit)		(3,542)	(681)
Total liabilities and shareholders' equity (deficit)		\$ 413	\$ 2,387

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on November 28, 2024 and signed on its behalf by:

“Gabi Kabazo”
Chief Financial Officer &
Director

“Moshe Revach”
Director

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Plantify Foods, Inc.

Unaudited Interim Condensed Consolidated Statement of Comprehensive Loss

U.S. dollars in thousands, except per share data

	Nine months ended September 30,		Three months ended September 30,	
	2024	2023	2024	2023
Sales	\$ 353	\$ 441	\$ 26	\$ 175
Cost of sales	(460)	(511)	(77)	(192)
Gross profit (loss)	(107)	(70)	(51)	(17)
Operating expenses				
Research and development expenses	(21)	(28)	(3)	(9)
Selling, marketing and administrative expenses	(1,117)	(1,364)	(140)	(610)
Total operating expenses	(1,138)	(1,392)	(143)	(619)
Loss from operations	(1,245)	(1,462)	(194)	(636)
Other income (expenses)	5	(108)	-	-
Loss from marketable securities	(282)	(520)	(38)	(94)
Impairment	(1,142)	-	(1,142)	-
Finance expenses	(311)	(412)	(108)	(186)
Finance income	2	457	-	102
Net loss for the period	(2,973)	(2,045)	(1,482)	(814)
Other comprehensive loss which will not be classified as profit or loss:				
Foreign currency translation differences	7	(288)	(33)	(127)
Net loss and comprehensive loss for the period	\$ (2,966)	\$ (2,333)	\$ (1,515)	\$ (941)
Basic and diluted loss per share*	(1.57)	(2.28)	(0.78)	(0.78)
Weighted average number of shares outstanding	1,889,519	896,145	1,900,178	1,038,063

*Adjusted to reflect one (1) for two hundred (200) consolidation of common shares in November 2024 (see Note 1)

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements

Plantify Foods, Inc.

Unaudited Interim Condensed Consolidated Statement of Changes in Shareholders' Equity (Deficit)

U.S. dollars in thousands except for number of share

	Number of shares*	Share capital and additional paid in capital	Share purchase warrants reserve	Option reserve	Capital reserve	Accumulated deficit	Total
Balance, January 1, 2023	736,588	\$ 3,992	\$ 1,419	\$ 47	\$ 109	\$ (6,432)	\$ (865)
Net loss for the period	-	-	-	-	-	(2,045)	(2,045)
Other comprehensive income for the period	-	-	-	-	288	-	288
Shares issued for investment in Save Foods	150,022	1,116	-	-	-	-	1,116
Capital portion of convertible debentures	-	-	-	111	-	-	111
Finder fees paid by issuance of shares	10,751	80	-	-	-	-	80
Share-based payments	-	-	-	15	-	-	15
Share issued – rights offering	917,779	1,361	-	-	-	-	1,361
Shares issued for services	22,618	181	-	-	-	-	181
Balance, September 30, 2023	1,837,758	\$ 6,730	\$ 1,419	\$ 173	\$ 397	\$ (8,477)	\$ 242

	Number of shares*	Share capital and additional paid in capital	Share purchase warrants reserve	Option reserve	Capital reserve	Accumulated deficit	Total
Balance, January 1, 2024	1,847,127	\$ 6,456	\$ 1,419	\$ 230	\$ 73	\$ (8,859)	\$ (681)
Net loss for the period	-	-	-	-	-	(2,973)	(2,973)
Other comprehensive income for the period	-	-	-	-	(7)	-	(7)
Share-based payments	-	-	-	(48)	-	-	(48)
Expiration of share purchase warrants	-	1,419	(1,419)	-	-	-	-
Shares issued for services	82,807	167	-	-	-	-	167
Balance, September 30, 2024	1,929,934	\$ 8,042	\$	\$ 182	\$ 66	\$ (11,832)	\$ (3,542)

*Adjusted to reflect one (1) for two hundred (200) consolidation of common shares in November 2024 (see Note 1)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

Plantify Foods, Inc.
Unaudited Condensed Consolidated Interim Statement of Cash Flows
U.S. dollars in thousands

	For the nine months period ended September 30,	
	2024	2023
Cash flows from operating activities:		
Net loss for the period	\$ (2,973)	\$ (2,045)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	123	102
Share-based compensation	(48)	15
Interest on lease obligation	18	-
Depreciation of Right of use asset	42	43
Interest and loss on debentures	69	-
Interest on related party loan and bank loans	28	148
Shares issued to finders and debt conversion	167	262
Impairment	1,142	-
Loss from investment in marketable securities	282	520
Foreign exchange loss	(4)	-
Warrants fair value revaluation	(2)	(457)
Changes in operations assets and liabilities:		
Decrease in accounts receivable	98	23
Decrease (increase) in other accounts receivable	60	(6)
Decrease (increase) in Inventory	55	(1)
Increase in trade payables	343	121
Increase (decrease) in other payables	46	(127)
Net cash used in operating activities	(554)	(1,398)
Cash flow from investing activities:		
Purchase of property and equipment	(102)	(23)
Change in deposits	(4)	(73)
Net cash used in investing activities	(106)	(96)
Cash flow from financing activities		
Issuance of debentures	400	997
Repayment of related party loan	(49)	-
Issuance of shares and warrants	-	1,361
Receipt of bank loans and credit line, net	116	346
Payment of lease obligation	(61)	(31)
Net cash provided by financing activities	406	2,673
Exchange rate differences on cash and cash equivalents	25	224
Increase (decrease) in cash and cash equivalents	(254)	1,179
Cash and cash equivalents at the beginning of the period	259	59
Cash and cash equivalents at the end of the period	\$ 30	\$ 1,462
Significant non-cash transactions:		
Share exchange	-	1,116
Equity contribution from shareholders loan	8	-
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	21	29

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

NOTE 1- NATURE OF OPERATIONS AND GOING CONCERN

Plantify Foods, Inc. (the "Company" or "Plantify") is a Canadian company which was incorporated under the Business Corporations Act (British Columbia) on July 29, 2022. The Company's registered address is 2900-733 Seymour Street, Vancouver, Canada.

The Company is engaged in the development, production and sales of Clean Label plant-based foods through its 100% owned subsidiary, with its manufacturing facility located in Kibbutz Gonen, Israel.

On February 18, 2022, Antalis Ventures Corp. ("Antalis") entered into a Business Combination Agreement ("BCA") with POB Finco Inc. Ltd. ("FinCo") and Peas of Bean Ltd. ("POB"). Pursuant to the terms of the BCA: (i) Antalis and FinCo would amalgamate to form a new company to be named "Plantify Foods, Inc." (the "Amalgamation Transaction"), and (ii) Plantify would acquire all of the issued and outstanding shares of POB from its shareholders in exchange for a pro-rated number of shares of Plantify.

On July 29, 2022, the Company completed the business combination transaction with POB. As a result of the business combination transaction, POB became a wholly owned subsidiary of the Company. This transaction is accounted for as a reverse takeover of the Company by POB.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. During the nine-month period ended September 30, 2024, the Company incurred a net loss of \$2,973 (2023 - \$2,045). The Company's continuing operations as intended are dependent upon the Company's ability to generate future cash flows or obtain additional financing through debt or equity.

Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

On November 4, 2024, the Company announced a 1 for 200 consolidation of its outstanding common shares that became effective on November 8, 2024.

All shares, stock options, share purchase warrants, RSU's and per share information in these consolidated financial statements have been restated to reflect the common share consolidation on a retroactive basis.

Israel – Hamas war

Because most of the Company's operations are conducted in Israel and most members of its board of directors, management, as well as a majority of its employees and consultants, including employees of its service providers, are located in Israel, its business and operations are directly affected by economic, political, geopolitical and military conditions affecting Israel. In October 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and

Plantify Foods, Inc.

Unaudited Notes to Condensed Consolidated Interim Financial Statements

U.S. dollars in thousands

NOTE 1- NATURE OF OPERATIONS AND GOING CONCERN (Cont.)

military targets. Hamas also launched extensive rocket attacks on Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. These attacks resulted in extensive deaths, injuries and kidnapping of civilians and soldiers in the southern part of the country. Following the attack, Israel's security cabinet declared war against Hamas and a military campaign against these terrorist organizations commenced in parallel to their continued rocket and terror attacks. Following the attack by Hamas on Israel's southern border, Hezbollah in Lebanon also launched missile, rocket, drone and shooting attacks against Israeli military sites, troops and Israeli towns in northern Israel. In October 2024, Israel began limited ground operations against Hezbollah in Lebanon. In addition, Iran recently launched direct attacks on Israel and has threatened to continue to attack Israel. Iran is also believed to have a strong influence among extremist groups in the region, such as Hamas in Gaza, Hezbollah in Lebanon, the Houthis in Yemen and various rebel militia groups in Syria and Iraq. While currently no damages were registered in Israel from such attacks, the situation is developing and could lead to additional wars and hostilities in the Middle East. It is possible that the hostilities with Hezbollah and Iran will escalate, and that other terrorist organizations, including Palestinian military organizations in the West Bank, as well as other hostile countries, will join the hostilities. Such hostilities may include terror and missile attacks. Following the brutal attacks on Israel, the mobilization of army reserves and the government declaring a state of war in October 2023, there was a decrease in Israel's economic and business activity. The security situation has led, among other things, to a disruption in the supply chain and production, a decrease in the volume of national transportation, and a shortage in manpower due to employees being called for active reserve duty as well as a rise in the exchange rate of foreign currencies in relation to the New Israel Shekel. These events may imply wider macroeconomic indications of a deterioration of Israel's economic standing, which may have a material adverse effect on the Company and its ability to effectively conduct its business, operations and affairs. Although many of such military reservists have since been released, they may be called up for additional reserve duty, depending on developments in the war in Gaza and along Israel's other borders. Certain of its employees and consultants in Israel, in addition to employees of its service providers located in Israel, have been called, and additional employees may be called, for service in the current or future wars or other armed conflicts with Hamas as well as the other pending or future armed conflicts in which Israel is or may become engaged, and such persons may be absent for an extended period of time. POB has facilities in Kibbutz Gonen, which is located in an area in northern Israel that has been affected by ongoing hostilities with Hezbollah in Lebanon. Due to the continuous drone attacks, missile strikes and shootings in the region, the area has been almost completely evacuated of civilians. All employees were put on unpaid leave until further notice and POB has ceased its operations, and may not be able to resume its regular activities, including its ability to deliver products to customers in a timely manner, if the hostilities persist for an extended period. The Company is continuing to regularly follow developments on the matter and is examining the effects on its operations and the value of its assets.

Due to the recent developments that have impacted POB, the Company considered indicators of impairment at September 30, 2024. The Company recorded impairment loss during the period ended September 30, 2024 for the following items: inventory, accounts receivable, property plant and equipment and lease asset.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation and statement of compliance

These interim unaudited condensed financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 Interim Financial Reporting. The unaudited interim condensed financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2023. The significant accounting policies applied in the annual financial statements of the Company as of December 31, 2023 are applied consistently in these interim condensed financial statements of the Company.

The policies applied in these interim condensed financial statements are based on IFRS effective as of September 30, 2024.

b) Basis of consolidation

The condensed consolidated interim financial statements incorporate the financial statements of the Company and of its wholly owned subsidiary, POB.

A subsidiary is an entity over which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. A subsidiary is consolidated from the date upon which control is acquired by the Company and all intercompany transactions and balances have been eliminated on consolidation.

c) Basis of presentation

The condensed consolidated interim financial statements are presented in US dollars. The functional currency of the Company is Canadian dollars (“CAD”), and the functional currency of its subsidiary is the New Israeli Shekel (“NIS”). NIS represents the main economic environment in which the subsidiary operates.

d) Significant accounting estimates and judgements

The preparation of these condensed consolidated interim financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions about reported amounts at the date of the financial statements and in the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Share-based Compensation

Fair values are determined using the Black-Scholes option pricing model. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measurement of the fair value of the Company’s stock options.

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Useful lives of property and equipment

Estimates of the useful lives of property and equipment are based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of the relevant assets may be based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the equipment would increase the recorded expenses and decrease the non-current assets.

Other Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the assessment of revenue recognition using the five-step approach under IFRS 15 and the collectability of amounts receivable; and
- the determination of the functional currency of the company.

e) Impact of accounting standards to be applied in future periods

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to December 31, 2024 (the date of the Company's next annual financial statements) that the Company has decided not to adopt early. The Company does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

NOTE 3 – WARRANTS

The Company accounts for the warrants issued to Hama Fund under IFRS 9 and they are classified as a liability since the exercise price is not denominated in the functional currency of the Company. The derivative financial liability is re-measured at each reporting date, with changes in fair value recognized in finance expense (income), net.

The derivative financial liability as of September 30, 2024 and December 31, 2023 amounted to USD Nil and USD 2, respectively. The amount was recorded at fair value according to a valuation performed by an independent third-party appraiser.

For the nine-month period ended September 30, 2024, the Company recorded an income of \$2 (December 31, 2023 –\$501) in the statement of comprehensive loss as a result of the change in the fair value of warrants.

The fair value measurement of the warrants as of September 30, 2024 in the table below was measured using a Black Scholes warrant pricing model. The key inputs that were used in measuring the fair value of the

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

warrants as of September 30, 2024 were: risk free interest rate – 4.27%, expected volatility – 160%, Expected term 2 years and Expected dividend yield - 0.

NOTE 3 – WARRANTS (Cont.)

A summary of changes in share purchase warrants on a pre consolidation basis issued by the Company during the nine-months period ended September 30, 2024 is as follows:

	Number of Warrants*	Weighted Average Exercise Price (\$)
Balance at December 31, 2023	16,961,488	0.1378
Movement during nine months ended	(16,961,488)	0.1378
September 30, 2024	-	-

*The number of warrants outstanding have been restated to reflect the effect of issuing 14.5094 RTO shares for each share outstanding.

	Fair value measurements using input type			
	Level 1	Level 2	Level 3	Total
Balance as of January 1, 2023	-	-	503	503
Change in fair value	-	-	(501)	(501)
Translation adjustments	-	-	-	-
Warrant liability as of December 31, 2023	-	-	2	2
Warrant liability as of January 1, 2024	-	-	2	2
Change in fair value	-	-	(2)	(2)
Translation adjustments	-	-	-	-
Warrant liability as of September 30, 2024	-	-	-	-

NOTE 4 – CONVERTIBLE DEBENTURES

A summary of changes in convertible debentures issued by the Company during the nine-months period ended September 30, 2024 is as follows:

	Convertible Debentures
Convertible debentures as of January 1, 2023	388
Issuance of convertible debentures	1,008
Convertible debt option reserve	(61)
Amortization	121
Change in fair value	(7)
Repayment of convertible debentures	(207)
Translation adjustments	21
Convertible debentures as of December 31, 2023	1,263

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

NOTE 4 – CONVERTIBLE DEBENTURES (Cont.)

Amortization	71
Change in fair value	(2)
Repayment of convertible debentures	-
Translation adjustments	10
Convertible debentures as of September 30, 2024	1,342

- a. On April 5, 2023, as part of the securities exchange agreement (see Note 7) the Company completed a non-brokered private placement of 8% subordinated secured convertible debentures for gross proceeds of CAD\$1,500 thousands. The Convertible Debentures accrue interest at a rate of 8% per annum, mature on October 4, 2024, and are convertible at the option of the holder, at any time from the date of issuance thereof and prior to the Maturity Date, into one common share of the Company at a conversion price of CAD\$0.05 in the first year and CAD\$0.10 thereafter. In connection with the Convertible Debenture Financing, an advisor received a cash commission of CAD\$150 thousands. As part of the agreement the Company pledged all of its assets against the convertible debenture.

The financial liability as of September 30, 2024 amounted to \$1,132 (\$1,049 as of December 31, 2023). The amount was recorded at amortized cost. Initial value was based on a valuation performed by an independent third-party appraiser as of the date of the transaction. An amount of \$61 was recorded as a convertible debt option reserve under the equity section.

- b. On July 29, 2022, as part of the business combination transaction, the Company completed a non-brokered private placement of 12% subordinated unsecured convertible debentures for gross proceeds of CAD\$500 thousands. The Convertible Debentures accrue interest at a rate of 12% per annum, mature on August 29, 2023 and are convertible at the option of the holder, at any time following the date that is one month from

the date of issuance thereof and prior to the Maturity Date, into units of the Company at a conversion price of CAD\$0.12. Each such unit will be comprised of one Common Share and one common share purchase warrant of the Company, exercisable at a price of CAD\$0.18 per share for a period of 24 months from the date of conversion. In connection with the Convertible Debenture Financing, an advisor received a cash commission of CAD\$50 thousands.

On August 28, 2023 some of the convertible debentures holders who hold the amount of CAD\$290 thousands chose to extend the term of the debentures who will mature on August 29, 2024 and can be converted at a reduced conversion price of \$0.05.

On August 29, 2024 some of the convertible debentures holders who hold the amount of CAD\$290 thousands chose to extend the term of the debentures who will mature on August 29, 2025 and can be converted at a reduced conversion price of \$0.05.

The financial liability as of September 30, 2024 amounted to \$210 (\$214 as of December 31, 2023). The change in fair value during the period effect as an expense of \$1 which was recorded in the consolidated statements of comprehensive loss. The amount was recorded at fair value according to a valuation performed by an independent third-party appraiser.

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

NOTE 5 – RELATED PARTY TRANSACTIONS

The following transactions arose with related parties (\$ in thousands):

Key management personnel compensation and directors fee comprised the following:

	Nine months period ended September 30,	
	2024	2023
	USD in thousands	
Salary and related expenses (CEO, COO and VP Product Development of POB)	207	295
Professional services (CEO and CFO)	107	62
Interest expenses (CEO, COO and VP Product Development of POB)	8	3
Share Based Compensation (Directors and Officers)	42	-

Liabilities to related parties

	September 30, 2024	December 31, 2023
	USD in thousands	
Trade payables (CEO and CFO)	44	25
Other payables (CEO, COO and VP Product Development of POB)	124	164
Shareholder's loan (CEO, COO and VP Product Development of POB)	125	170

NOTE 6 - LEASES

The Company leases its facility located in Kibutz Gonen, Israel under a lease agreement expiring on December 31, 2031.

The lease was signed on December 2021 for a 10 years period starting January 2022. Monthly rent fee was NIS 12.5 thousands until December 2023 (approximately \$4) and NIS 25 thousands from January 2024 (approximately \$8).

The Company uses its incremental borrowing rate as the discount rate for its leases, as the implicit rate in the lease is not readily determinable. As of December 31, 2023, the Company's leases had a weighted average remaining lease term of 8 years and a weighted average borrowing rate of 4.6%.

Due to the developments in northern Israel the Company recorded an impairment for the lease asset and wrote it off completely.

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

At September 30, 2024, the Company's lease asset and lease liabilities amounted to \$Nil and \$498, respectively.

NOTE 6 - LEASES (Cont.)

Lease liabilities	Nine months ended September 30,	
	2024	2023
Interest expense	18	20
Total cash outflow for leases	61	31

The future minimum lease payments, under our lease agreement, as of September 30, 2024, are as follows:

	Amount
2024	20
2025	81
2026-2031	487

NOTE 7 - SHARE CAPITAL

Unlimited number of common shares without par value.

Issued

As at September 30, 2024, 385,986,746 common shares (1,929,934 post consolidation) were issued and outstanding.

During the period ended September 30, 2024

On March 5, 2024 the Company issued 3,811,292 of its common shares (19,057 post consolidation) to 2 advisors for services provided, fair value of the shares was CAD\$0.012 and an expense of CAD \$45 thousands was recorded.

On April 24, 2024 the Company issued 1,000,000 of its common shares (5,000 post consolidation) to 3 directors following vesting of RSUs.

Plantify Foods, Inc.

Unaudited Notes to Condensed Consolidated Interim Financial Statements

U.S. dollars in thousands

On June 18, 2024 the Company issued 4,500,000 of its common shares (22,500 post consolidation) to 2 advisors for services provided, fair value of the shares was CAD\$0.01 and an expense of CAD \$45 thousands was recorded.

NOTE 7 - SHARE CAPITAL (Cont.)

On September 12, 2024 the Company issued 4,500,000 of its common shares (22,500 post consolidation) to 2 advisors for services provided, fair value of the shares was CAD\$0.01 and an expense of CAD \$45 thousands was recorded.

On September 16, 2024 the Company issued 2,750,000 of its common shares (13,750 post consolidation) to 7 directors and employees following vesting of RSUs.

During the period ended September 30, 2023

On February 27, 2023 the Company issued 2,779,150 of its common shares (13,895 post consolidation) to 3 advisors for services provided, fair value of the shares was \$0.04048 and an expense of CAD \$112,500 was recorded.

On March 31, 2023 the Company signed a securities exchange and convertible debenture private placement agreements with N2OFF, Inc, (formerly Save Foods, Inc.) (“N2OFF”), a company traded on the Nasdaq Capital Market. On April 5, 2023 the Company issued 30,004,439 common shares (150,022 post consolidation) to N2OFF following the share exchange agreement which represented 19.99% of the issued and outstanding capital stock of the Company immediately prior to closing (and 16.66% of the issued and outstanding capital stock of the Company immediately following the closing) and received in consideration for that 1,164,374 common shares of N2OFF which represented 19.99% of the issued and outstanding capital stock of N2OFF immediately prior to closing (and 16.66% of the issued and outstanding capital stock of N2OFF immediately following the closing). The Company also issued 2,150,217 common shares (10,751 post consolidation) to a third party as finder fees and the amount of \$80 was recorded against additional paid in capital.

On May 30, 2023 the Company issued 1,304,347 of its common shares (6,522 post consolidation) to 3 advisors for services provided, fair value of the shares was \$0.08625 and an expense of CAD \$112,500 was recorded.

On September 6, 2023 the Company issued 440,190 of its common shares (2,201 post consolidation) to an advisor for services provided, fair value of the shares was \$0.0511 and an expense of CAD \$22,500 was recorded.

On September 18, 2023 the Company announced that it closed a rights offering in which holders of record of its common shares purchased 183,555,707 Common Shares (917,779 post consolidation) at a subscription price of CAD \$0.01 per Common Share. All Rights were exercised which resulted in a raise of gross proceeds of CAD \$1,835,557.

Stock Options

On December 12, 2022 the Company adopted an Omnibus equity incentive plan providing for the grant of stock options, RSU's, DSU's and PSU's to the Company's officers, directors, employees and consultants. Under the Omnibus equity incentive plan, the Company may grant stock options to purchase up to 10% of the

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

issued and outstanding shares of the Company and may grant up to 14,597,636 DSU's, RSU's and PSU's (72,988 post consolidation).

The exercise price of these stock options is not less than the Company's closing market price on the day prior to the grant of the stock options less the applicable discount permitted by the TSXV. Options granted may not exceed a term of five years. There is no minimum vesting period for the stock options.

NOTE 7 - SHARE CAPITAL (Cont.)

Minimum vesting period for RSU's is 1 year.

On February 26, 2023 the Company granted 411,666 stock options (2,058 post consolidation) to service providers, the stock options were fully vested with an exercise price of CAD \$0.12.

On February 26, 2023 the Company granted 60,000 stock options (300 post consolidation) to service providers, the stock options were fully vested with an exercise price of CAD \$0.22.

On March 20, 2023 the Company granted 4,900,000 stock options (24,500 post consolidation) to Directors, Officers and Employees of the Company, the stock options vesting was 1/3 after 1 year and then 1/12 every 3 months with an exercise price of CAD \$0.12.

On September 1, 2023 the Company granted 2,000,000 stock options (10,000 post consolidation) to its C.E.O., the stock options vesting was a 1/4 every 3 months with an exercise price of CAD \$0.035.

On September 14, 2023 the Company granted 6,900,000 stock options (34,500 post consolidation) to Director and Officers of the Company, the stock options vesting was a 1/4 every 3 months with an exercise price of CAD \$0.035.

As at September 30, 2024, the Company had the following stock options on a pre consolidation basis outstanding:

	Number of Stock options	Weighted average exercise price CAD\$
Outstanding December 31, 2022	400,000*	0.10
Granted during 2023	14,271,666	0.07
Outstanding December 31, 2023	14,671,666	0.07
Cancelled during the period	(5,650,000)	0.10
Outstanding at September 30, 2024	9,021,666	0.07
Exercisable at September 30, 2024	7,696,666	0.06

*these stock options were issued to Antalis shareholders before the RTO in previous years

Additional information regarding stock options outstanding on a pre consolidation basis as of September 30, 2024, is as follows:

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

NOTE 7 - SHARE CAPITAL (Cont.)

Outstanding			Exercisable		
Number of stock options	Weighted average remaining contractual life (years)	Weighted Average Exercise Price (CAD\$)	Number of stock options	Weighted Average Exercise Price (CAD\$)	
400,000	5.21	\$ 0.10	400,000	\$ 0.10	
60,000	3.42	\$ 0.22	60,000	\$ 0.22	
411,666	3.42	\$ 0.12	411,666	\$ 0.12	
2,650,000	3.50	\$ 0.12	1,325,000	\$ 0.12	
5,500,000	3.90	\$ 0.035	5,500,000	\$ 0.035	
9,021,666	3.82	\$ 0.07	7,696,666	\$ 0.06	

During the period ended September 30, 2024, the Company recorded \$2 (\$15 in 2023) in share-based payment expense.

Details of the fair value of options granted and the assumptions used in the Black-Scholes option pricing model are as follows:

	December 31, 2023
Weighted average fair value of options granted	CAD \$ 0.028
Risk-free interest rate	3.59 %
Estimated life (in years)	5
Expected volatility	159.77%
Expected dividend yield	0%

RSU's

On February 26, 2023 the Company issued 750,000 RSU's (3,750 post consolidation) to Directors of the Company, the RSU's vest after 1 year.

On March 20, 2023 the Company issued to directors and employees of the Company 1,000,000 RSU's (5,000 post consolidation), the RSU's vest after 1 year.

On September 1, 2023 the Company issued to its C.E.O. 1,000,000 RSU's (5,000 post consolidation), the RSU's vest after 1 year.

On September 14, 2023 the Company issued to directors and employees of the Company 3,450,000 RSU's, (17,250 post consolidation), the RSU's vest after 1 year.

During the period ended September 30, 2024, the Company recorded \$17 (\$Nil in 2023) in share-based payment expense.

Plantify Foods, Inc.
Unaudited Notes to Condensed Consolidated Interim Financial Statements
U.S. dollars in thousands

Warrants

On July 29, 2024 30,500,000 share purchase warrants (152,500 post consolidation) at an exercise price of CAD\$0.18 and 16,961,488 share purchase warrants (84,807 post consolidation) at an exercise price of \$0.1378 have expired.

NOTE 8 – SUBSEQUENT EVENT

On November 4, 2024, the Company announced a 1 for 200 consolidation of its outstanding common shares that became effective on November 8, 2024.

All shares, stock options, share purchase warrants, RSU's and per share information in these consolidated financial statements have been restated to reflect the common share consolidation on a retroactive basis.

On November 15, 2024, the Company has entered into a debt settlement agreement with N2Off, pursuant to which the Company will settle in aggregate, CAD\$2,052,879.39 in outstanding debt through the issuance of 2,420,848 common shares in the capital of the Company to N2Off, at a deemed price of \$0.848 per Share.

The Company incurred the Debt as follows:

1. as to CAD\$1,691,342.47, through the issuance to N2Off a convertible debenture in the principal amount of \$1,500,000 which matured on October 4, 2024, plus accrued interest thereon in the amount of \$191,342.47; and
2. as to USD\$258,240.66 (approximately CAD\$361,536.92), through draws on a line of credit extended by N2Off in the aggregate amount of USD\$250,000 (approximately CAD\$350,000), plus accrued interest thereon in the amount of USD\$8,240.66 (approximately CAD\$11,536.92).

The Debt Settlement is subject to acceptance of the TSX Venture.