



Organto Foods Inc.  
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Canada  
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## **ORGANTO FOODS INC.**

### **CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**For the Nine Months Ended  
September 30, 2025**

**(Stated in Canadian Dollars)**

## **NOTICE OF NO REVIEW BY AUDITOR**

In accordance with National Instrument 51-102 Continuous Disclosure Obligations of The Canadian Securities Administrators we hereby give notice that our condensed interim consolidated financial statements for the nine months ended September 30, 2025, which follow this notice, have not been reviewed by an auditor.

## Organto Foods Inc.

Condensed Interim Consolidated Statements of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

	September 30, 2025 (\$)	December 31, 2024 (\$)
<b>Assets</b>		
Current assets		
Cash	8,768,683	291,174
Restricted cash (note 3)	497,340	66,425
Receivables (note 4)	5,115,505	2,029,419
Inventory (note 5)	3,027,522	2,019,168
Prepaid expenses	114,586	148,316
Derivative assets (note 6)	-	82,875
	17,523,636	4,637,377
Non-current assets		
Operating lease right-of-use asset (note 9)	183,773	-
Intangible assets (note 8)	371,701	495,601
Goodwill (note 8)	898,828	898,828
	<b>18,977,938</b>	<b>6,031,806</b>
<b>Liabilities and shareholders' deficit</b>		
Current liabilities		
Accounts payable and accrued liabilities (notes 10, 11 and 21(c))	6,538,047	6,707,112
Operating leases (note 9)	116,725	-
Short-term loans payable (note 10)	33,581	1,873,745
Derivative liabilities (note 6)	1,209,486	-
Convertible debentures (note 11)	1,055,940	10,641,350
	8,953,779	19,222,207
Non-current liabilities		
Operating leases (note 9)	68,024	-
Convertible debentures (note 11)	1,197,314	-
Other liabilities (note 12)	-	560,593
Deferred income taxes	163,400	163,400
<b>Total liabilities</b>	<b>10,382,517</b>	<b>19,946,200</b>
Shareholders' deficit		
Share capital (note 13(a))	67,353,476	35,826,632
Shares to be issued (note 13(b))	925,400	2,120,905
Reserves (note 13(f))	10,693,615	8,931,527
Deficit	(70,377,070)	(60,793,458)
<b>Total shareholders' equity (deficit)</b>	<b>8,595,421</b>	<b>(13,914,394)</b>
	<b>18,977,938</b>	<b>6,031,806</b>

Nature of operations and going concern (note 1)

Commitments (note 24)

Subsequent events (note 25)

**Approved on behalf of the Board of Directors on November 18, 2025**

*"Steve Bromley"*

Director

*"Joe Riz"*

Director

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

## Organto Foods Inc.

### Condensed Interim Consolidated Statements of Comprehensive Income and Loss

(Unaudited - Expressed in Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 <sup>(1)</sup> (\$)	2025 (\$)	2024 <sup>(1)</sup> (\$)
Sales (note 23)	15,066,297	5,204,504	45,905,435	14,251,619
Cost of sales (notes 5 and 14)	(13,833,025)	(4,591,142)	(42,291,332)	(13,078,200)
Gross profit	1,233,272	613,362	3,614,103	1,173,419
Selling, general and administration expenses (note 15)	(691,048)	(566,386)	(1,735,166)	(1,000,832)
Management fees (note 21(a))	(206,845)	(72,674)	(485,141)	(253,619)
Labour costs and benefits	(488,511)	(349,410)	(1,308,494)	(783,707)
Stock-based compensation (notes 13(b), (c), (d) and 21(a))	(267,917)	(75,325)	(631,608)	(224,512)
Directors fees	(22,667)	-	(22,667)	-
	(443,716)	(450,433)	(568,973)	(1,089,251)
Interest expense and accretion, net (notes 10 and 11)	(85,493)	(290,068)	(615,662)	(916,042)
Other income (note 16)	1,481	-	22,086	-
Realized gains (losses) on investment securities (note 7)	-	(337)	-	7,518
Unrealized gains on investment securities (note 7)	-	-	-	985
Realized losses on derivative assets and liabilities (note 6)	(561,501)	-	(1,102,229)	(86,196)
Unrealized gains (losses) on derivative assets and liabilities (note 6)	956,455	-	(1,230,745)	274,707
Restructuring costs (note 17)	(84,386)	-	(770,662)	-
Loss on settlement of debt (note 18)	(1,686,300)	-	(5,477,817)	-
Gain on dissolution of subsidiary (note 19)	-	(11,689)	-	366,940
Foreign exchange gains (losses)	(48,931)	(17,392)	160,390	(37,609)
Loss from continuing operations	(1,952,391)	(769,919)	(9,583,612)	(1,478,948)
Income from discontinued operations (note 20)	-	(72,365)	-	1,218,525
Net income (loss) for the period	(1,952,391)	(842,284)	(9,583,612)	(260,423)
Other comprehensive income (loss) for the year:				
Items that may be reclassified subsequently to net earnings:				
Foreign exchange related to continuing operations	73,739	44,133	329,795	63,264
Realized foreign exchange on discontinued operations (note 20)	-	-	-	630,866
<b>Comprehensive income (loss) for the period</b>	<b>(1,878,652)</b>	<b>(798,151)</b>	<b>(9,253,817)</b>	<b>433,707</b>

<sup>(1)</sup> The comparative figures have been restated to conform with the current period's presentation (note 20)

#### Basic and diluted income (loss) per share:

Continuing operations	(0.02)	(0.02)	(0.10)	(0.04)
Discontinued operations	-	(0.00)	-	0.03
Shares used in computing income (loss) per share:	121,542,526	39,315,882	100,358,161	34,856,727

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

## Organto Foods Inc.

### Condensed Interim Consolidated Statements of Cash Flows (Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30	
	2025	2024 <sup>(1)</sup>
	(\$)	(\$)
<b>Operating activities</b>		
Net loss from continuing operations for the period	(9,583,612)	(1,478,948)
Add back:		
Items not involving cash (note 22)	8,255,256	617,200
	(1,328,356)	(861,748)
Changes in non-cash working capital (note 22)	(1,832,360)	1,029,950
Change in restricted cash	(216,468)	-
Cash used by continuing operations	(3,377,184)	168,202
Cash used by discontinued operations	-	(1,657,532)
Cash used in operating activities	(3,377,184)	(1,489,330)
<b>Investing activities</b>		
Cash paid to settle NFG earnout	(350,000)	-
Proceeds from sale of subsidiaries	-	1
Cash disposed of in sale of subsidiaries	-	(57,437)
Proceeds from sale of investment securities	-	17,254
Interest received	6,413	319
Cash used in investing activities	(343,587)	(39,863)
<b>Financing activities</b>		
Proceeds from private placements	11,924,492	575,000
Share subscriptions received in advance	350,000	602,120
Repayments of convertible debentures	(48,000)	-
Proceeds from short-term loans	-	1,929,965
Repayment of short-term loans	-	(774,710)
Principal portion of lease payments	(36,189)	-
Interest portion of lease payments	(2,166)	-
Interest paid	(32,857)	(33,068)
Cash used by discontinued operations	-	(208,334)
Cash from (used in) financing activities	12,155,280	2,090,973
Effect of foreign exchange on cash	42,999	7,031
Decrease in cash	8,477,509	568,811
Cash, beginning of year	291,174	186,295
<b>Cash, end of year</b>	<b>8,768,683</b>	<b>755,106</b>

<sup>(1)</sup> The comparative figures have been restated to conform with the current period's presentation (note 20)

Supplemental cash flow information (note 22)

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

## Organto Foods Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

	Number of shares	Share capital (\$)	Shares to be issued (\$)	Reserves (\$)	Deficit (\$)	Total (\$)
Balance at January 1, 2024	28,568,382	35,251,632	-	8,032,465	(58,820,266)	(15,536,169)
Shares issued:						
Private placement, net of costs	5,750,000	575,000	-	-	-	575,000
Share subscriptions received in advance	-	-	602,120	-	-	602,120
Stock-based compensation	-	-	-	224,512	-	224,512
Comprehensive loss for the period:						
Continuing operations	-	-	-	63,264	(1,478,948)	(1,415,684)
Discontinued operations	-	-	-	694,130	(260,423)	433,707
<b>Balance at September 30, 2024</b>	<b>34,318,382</b>	<b>35,826,632</b>	<b>602,120</b>	<b>9,014,371</b>	<b>(60,559,637)</b>	<b>(15,116,514)</b>
Balance at January 1, 2025	34,318,382	35,826,632	2,120,905	8,931,527	(60,793,458)	(13,914,394)
Shares issued:						
Private placements, net of costs	73,099,910	12,869,028	-	-	-	12,869,028
On conversion of convertible debentures	337,497	197,820	-	-	-	197,820
To settle accounts payable	7,313,620	2,711,025	-	-	-	2,711,025
To settle loans payable and accrued interest	19,669,050	3,933,810	-	-	-	3,933,810
To settle convertible debentures	40,250,000	11,036,047	-	-	-	11,036,047
To settle interest on convertible debentures	1,695,568	339,114	-	-	-	339,114
To settle NFG promissory note	2,200,000	440,000	-	-	-	440,000
Share subscriptions received in advance	-	-	(1,195,505)	-	-	(1,195,505)
Warrants issued in private placement	-	-	-	414,000	-	414,000
Issue of convertible debenture	-	-	-	386,685	-	386,685
Stock-based compensation	-	-	-	631,608	-	631,608
Comprehensive income (loss) for the year:						
Continuing operations	-	-	-	329,795	(9,583,612)	(9,253,817)
<b>Balance at September 30, 2025</b>	<b>178,884,027</b>	<b>67,353,476</b>	<b>925,400</b>	<b>10,693,615</b>	<b>(70,377,070)</b>	<b>8,595,421</b>

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

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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#### 1. Nature of operations and going concern

Organto Foods Inc. (“Organto” or “the Company”) is engaged in the sourcing, logistics, packaging, distribution and marketing of healthy and sustainable fresh organic and fairtrade fruit and vegetable products. The Company employs an integrated business model to provide a year-round supply of a number of organic and specialty fruit and vegetable products sourced from a global supply base and currently marketed to customers primarily in a variety of European countries. The Company’s common shares are listed for trading on the TSX Venture Exchange (“TSXV”) under the stock symbol “OGO”, on the OTCQX under the stock symbol “OGOFF” and on the Frankfurt Stock Exchange under the stock symbol “OGF”. The Company’s head office and principal address is located at 410 – 1111 Melville St., Vancouver, BC, V6E 3V6, Canada.

These condensed interim consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing its assets and discharging its liabilities in the normal course of business for the foreseeable future. For the nine months ended September 30, 2025 the Company incurred a loss of \$9,583,613 (2024 – \$260,423). The operations of the Company have historically been funded by the issuance of share capital, bank loans, short-term loans and convertible debentures. At September 30, 2025, the Company had working capital of \$8,569,856 (December 31, 2024 – working capital deficiency of \$14,584,830), an accumulated deficit of \$70,377,071 (December 31, 2024 - \$60,793,458) and total shareholder’s equity of \$8,595,420 (December 31, 2024 – deficit of \$13,914,394). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to obtain additional financing as needed, continued financial support from related parties, and ultimately on generating future profitable operations. The factors described indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. If the going concern assumption was not appropriate for these consolidated financial statements, adjustments would be necessary in the carrying values of assets, liabilities, reported income and expenses and the consolidated statement of financial position classifications used. Such adjustments could be material.

#### 2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB). These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the most recent annual financial statements for the year ending December 31, 2024.

These consolidated financial statements were approved by the Board of Directors and authorized for issue on November 18, 2025.

#### 3. Restricted cash

Restricted cash of \$497,340 (December 31, 2024 - \$66,425) consists of deposits held by the European providers of the Company’s hedging facilities as collateral to maintain margin requirements if the market value of the Company’s forward currency contracts exceeds a certain negative value.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### 4. Receivables

	September 30, 2025 (\$)	December 31, 2024 (\$)
Trade accounts receivables	5,072,409	1,965,233
VAT recoverable	42,771	64,186
Other	325	-
	<b>5,115,505</b>	<b>2,029,419</b>

### 5. Inventory

	Fruit and vegetables (\$)
Balance, January 1, 2024	1,204,468
Purchases:	
Continuing operations	20,091,297
Discontinued operations	3,393,893
Expensed as cost of sales:	
Continuing operations (note 14)	(18,942,999)
Discontinued operations (note 20)	(3,582,107)
Inventory disposed of in sale of subsidiaries	(145,384)
<b>Balance, December 31, 2024</b>	<b>2,019,168</b>
Purchases	42,423,251
Expensed as cost of sales (note 14)	(41,414,897)
<b>Balance, September 30, 2025</b>	<b>3,027,522</b>

### 6. Derivative assets and liabilities

One of the Company's European subsidiaries has established hedging facilities with a European financial services company in order to hedge its exposure to fluctuations in the US dollar vs Euro exchange rate. The facility is for forward currency exchange contracts with an undrawn balance of US\$9.7 million at September 30, 2025 (US\$2.0 million at December 31, 2024).

If exercised at September 30, 2025 the net forward currency exchange contracts would have required the Company to purchase US dollars for more than by acquiring them on the spot market, and a derivative liability was recognized. The carrying value of the derivative liabilities of \$1,209,486 at September 30, 2025 represents the difference between the cost to acquire US dollars on the spot market versus through the forward currency exchange contracts. If exercised at December 31, 2024 the net forward currency exchange contracts would have allowed the Company to purchase US dollars for less than by acquiring them on the spot market, and a derivative asset of \$82,875 was recognized.

The gains and losses on the valuation of these derivative liabilities at each period end in 2025 have been recorded as a net unrealized gain of \$956,455 for the three months ended September 30, 2025 (2024 –\$nil) and a net unrealized loss of \$1,230,745 for the nine months ended September 30, 2025 (2024 – unrealized gain of \$274,707) and is included in the condensed interim consolidated statement of comprehensive loss.

The Company regularly purchases US dollars utilizing its forward currency exchange facilities. The difference between the cost to acquire the US dollars through the forward currency exchange contracts and the spot market at the time of purchase has been recorded as a realized loss of \$561,501 for the three months ended September 30, 2025 (2024 –\$nil) and a realized loss of

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

\$1,102,229 for the nine months ended September 30, 2025 (2024 – loss of \$86,196) and is included in the condensed interim consolidated statement of comprehensive income and loss.

#### 7. Investment securities

At September 30, 2024, the Company no longer held any shares of Xebra Brands Inc. 540,000 shares were sold in the first quarter of 2024 for a realized gain of \$7,855 and 43,355 shares were sold in the third quarter for a realized loss of \$337. At each period end the Company recorded an unrealized revaluation gain or loss and revalued the carrying value of any shares owned to reflect their market value.

#### 8. Intangible assets

Intangible assets at September 30, 2025 and December 31, 2024 consists of the customer and supplier relationships acquired when the Company purchased 100% of the outstanding shares of NFG New Fruit Group GmbH (“New Fruit Group”) in 2023. The amortization of customer and supplier relationships is included in selling, general and administrative expenses on the condensed interim consolidated statements of comprehensive loss.

	<b>Customer and supplier lists (\$)</b>	<b>Goodwill (\$)</b>
<b>Cost</b>		
Balance, January 1, 2024	826,001	898,828
<b>At December 31, 2024</b>	<b>826,001</b>	<b>898,828</b>
<b>Accumulated amortization</b>		
Balance, January 1, 2024	(165,200)	-
Amortization	(165,200)	-
<b>At December 31, 2024</b>	<b>(330,400)</b>	<b>-</b>
<b>Net carrying value at December 31, 2024</b>	<b>495,601</b>	<b>898,828</b>
<b>Cost</b>		
Balance, January 1, 2025	826,001	898,828
<b>At September 30, 2025</b>	<b>826,001</b>	<b>898,828</b>
<b>Accumulated amortization</b>		
Balance, January 1, 2025	(330,400)	-
Amortization	(123,900)	-
<b>At September 30, 2025</b>	<b>(454,300)</b>	<b>-</b>
<b>Net carrying value at September 30, 2025</b>	<b>371,701</b>	<b>898,828</b>

#### 9. Leases

The Company began leasing staff accommodation facilities in May 2025. The lease has a term of three years at a monthly cost of €2,250. The Company began leasing two office facilities in July 2025. These leases each have a term of one year at a total

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

combined monthly cost of €4,233. The Company recognized right-of-use assets and lease liabilities at the commencement of each lease.

The right-of-use assets are measured at cost and are amortized on a straight-line basis over the term of each lease. The lease liabilities are valued at the discounted net present value of the remaining lease payments using incremental borrowing rates of 2.91% - 3.15%. The liabilities are increased for interest and reduced for payments made during the term of the leases.

A summary of the right-of-use assets is as follows:

	<u>(\$)</u>
Balance at December 31, 2024	-
New leases entered into	215,502
Lease amortization expense	(37,144)
Foreign exchange	5,415
<b>Balance at September 30, 2025</b>	<b>183,773</b>

A summary of the lease liability is as follows:

	<u>(\$)</u>
Balance at December 31, 2024	-
New leases entered into	215,502
Principal portion of lease payments	(36,189)
Foreign exchange	5,436
<b>Balance at September 30, 2025</b>	<b>184,749</b>

Lease payments due within the next twelve months	116,725
Lease payments due later than twelve months	68,024
	<b>184,749</b>

Under the terms of its leases, the Company has paid security deposits totalling €15,267 which are reported in prepaid expenses on the condensed interim consolidated statements of financial position.

## 10. Short-term loans payable

During the year ended December 31, 2023 the Company received US\$325,000 and an additional US\$30,000 during the year ended December 31, 2024 from a director. These loans and were unsecured and bore interest at 12% per annum and were repaid in April 2024.

During the year ended December 31, 2023 the Company received \$33,000 from an officer in an interest-bearing loan. During the year ended December 31, 2024 other shareholders provided US\$289,143 and \$1,494,800 in interest bearing loans of which \$292,336 was repaid. These loans were unsecured and bore interest at 12% per annum and had an initial term of one year, at which time principal and interest became payable. In April 2025 the Company issued 19,669,050 common shares to settle the loans and accrued interest (note 13). Prior to their repayment, accrued interest on these loans was included in accounts payable and accrued liabilities.

Part of the consideration paid to acquire New Fruit Group was the issuance of a promissory note by the Company to the former shareholders of New Fruit Group. The promissory note bore interest at 2% and was for €158,956 with payments due in 2024 and 2025. In April 2025 the Company issued 2,200,000 common shares to settle the promissory note and accrued interest (note 13).

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

Prior to its repayment, the fair value of the promissory note was calculated by discounting the future payments and was accreted to its face value over its original three-year term. The current portion of the promissory note was included in short-term loans.

The Company received proceeds of \$40,000 in September 2020 and an additional \$20,000 in December 2020 under the Canada Emergency Business Account ("CEBA") program. The loan was a 0% interest bearing loan with no principal payments required. The loan could be repaid at any time and \$20,000 of the loan would be forgiven if repaid in full before December 31, 2023. The Company did not repay the loan and the loan began bearing interest at 5% per annum beginning January 19, 2024 and was reclassified as a short-term loan payable. The Company began repaying the loan in September 2025 by applying \$26,419 of its Canadian VAT refunds against outstanding principal and accrued interest.

A summary of the short-term loans is as follows:

	(\$)
Balance, January 1, 2024	463,105
Proceeds	2,064,085
Repayments	(774,710)
Conversion of government grant to short-term loan	60,000
Short-term portion of New Fruit Group promissory note	19,043
Foreign exchange	42,222
<b>Balance, December 31, 2024</b>	<b>1,873,745</b>
Interest bearing loans settled with common shares	(1,783,206)
Short-term portion of New Fruit Group promissory note settled with common shares	(19,043)
Repayments	(26,419)
Foreign exchange	(11,496)
<b>Balance, September 30, 2025</b>	<b>33,581</b>

Accrued interest of \$247 at September 30, 2025 (\$148,614 at December 31, 2024) on the interest bearing loans is included in accounts payable and accrued liabilities.

## 11. Convertible debentures

### December 2024 series A

In December 2022 the Company issued convertible debentures with a total face value of \$1,655,850. The December 2024 debentures were unsecured and had a term of two years and bear interest at 10% annually, payable in arrears beginning one year after their date of issuance.

The debentures were convertible into shares of Organto at \$3.00 per share and interest was not convertible. The holder could convert all or part of the debentures at any time. If, at any time after April 29, 2023, the closing price of the Company's shares exceeded \$4.50 or more for ten consecutive trading days, the Company had the right to force conversion of the debentures.

The issuance of this series of debentures was considered an extinguishment of the December 2022 series of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value, together with transaction costs of \$66,894 was recorded as a loss on extinguishment of the December 2022 debentures of \$96,467 for the year ended December 31, 2022.

The Company initially recorded \$1,483,600 as the fair value of the debt component of the December 2024 debentures, and \$201,823 as the fair value of the equity component of the debentures. The debt component of the December 2024 debentures was being accreted to the face value of the loan over the two-year term.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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The Company did not pay the interest due in December 2023 and in May 2024, \$97,500 of these debentures were settled against grower advances receivable with a related party. The Company also did not pay the interest due in December 2024 and began discussions with debenture holders to issue common shares to settle the outstanding interest and to issue new debentures to settle the December 2024 Series A debentures. Holders of \$1,518,350 of the December 2024 series A debentures agreed and in April 2025 1,012,234 common shares were issued to settle \$303,670 of unpaid interest and new debentures with a face value of \$1,518,350 and expiry dates of December 29, 2025 and December 29, 2026 were issued. See *December 2025/2026 series*. The remaining \$40,000 of debentures was repaid in cash along with \$9,715 of interest.

The issuance of the December 2025 and December 2026 debentures was considered an extinguishment of the December 2024 series of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the December 2024 series A debentures of \$140,213 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

#### December 2024 series B

In March 2023 the Company completed an offering of convertible debentures with a total face value of \$500,000. The debentures were unsecured and had a term expiring on December 29, 2024, the same expiry date as the December 2024 series A of debentures. The series B debentures bore interest at 10% annually, payable in arrears beginning one year after their date of issuance.

The debentures were convertible into shares of Organto at \$3.00 per share and interest was not convertible. The holder could convert all or part of the debentures at any time. If, at any time after July 29, 2023, the closing price of the Company's shares exceeded \$4.50 or more for ten consecutive trading days, the Company had the right to force conversion of the debentures.

The Company initially recorded \$465,000 as the fair value of the debt component of the debentures, with the residual amount of \$35,000 allocated to the equity component of the debentures. The debt component of the debentures was being accreted to the face value of the loan over the twenty-one month term. A total of \$30,000 in transaction costs was allocated to the liability and the equity components of the debentures.

The Company did not pay the interest due in December 2023 and December 2024 and began discussions with the debenture holders to issue common shares to settle the outstanding interest and to issue new debentures to settle the December 2024 series B debentures. All holders of the December 2024 series B debentures agreed and in April 2025 333,334 common shares were issued to settle \$100,000 of unpaid interest and new debentures with a face value of \$500,000 and expiry dates of December 29, 2025 and December 29, 2026 were issued. See *December 2025/2026 series*.

The issuance of the December 2025 and December 2026 debentures was considered an extinguishment of the December 2024 series B of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the December 2024 series B debentures of \$46,173 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

#### February 2025 series

In February 2023 the Company completed an offering of convertible debentures with a total face value of \$295,000. The debentures were unsecured and had a term of two years and bore interest at 10% annually, payable in arrears beginning one year after their date of issuance.

The debentures were convertible into shares of Organto at \$3.00 per share and interest was not convertible. The holder could convert all or part of the debentures at any time. If, at any time after June 28, 2023, the closing price of the Company's shares exceeded \$4.50 or more for ten consecutive trading days, the Company had the right to force conversion of the debentures.

The Company recorded \$271,105 as the fair value of the debt component of the debentures, with the residual amount of \$23,895 allocated to the equity component of the debentures. The debt component of the debentures was being accreted to the face value of the loan over the two-year term.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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Transaction costs totaled \$21,417 and included \$17,700 in cash and 5,900 warrants with each warrant entitling the holder to purchase one common share at a price of \$3.00 for a period of two years. These finder warrants had a total fair value of \$3,717 determined using the Black-Scholes Option Pricing Model (note 13(e)). These transaction costs were allocated to the liability and the equity components of the debentures.

The Company did not pay the interest due in February 2024 and February 2025 and began discussions with debenture holders to issue common shares to settle the outstanding interest and to issue new debentures to settle the February 2025 debentures. All holders of the February 2025 debentures agreed and in April 2025 196,667 common shares were issued to settle \$59,000 of unpaid interest and new debentures with a face value of \$295,000 and expiry dates of February 28, 2026 and February 28, 2027 were issued. See *February 2026/2027 series*.

The issuance of the February 2026 and February 2027 debentures was considered an extinguishment of the February 2025 debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the February 2025 debentures of \$33,403 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

#### March 2025 series

In March 2023 the Company completed an offering of convertible debentures with a total face value of \$238,000. The debentures were unsecured and had a term of two years and bore interest at 10% annually, payable in arrears beginning one year after their date of issuance.

The debentures were convertible into shares of Organto at \$3.00 per share and interest was not convertible. The holder could convert all or part of the debentures at any time. If, at any time after July 28, 2023, the closing price of the Company's shares exceeded \$4.50 or more for ten consecutive trading days, the Company had the right to force conversion of the debentures.

The Company recorded \$218,960 as the fair value of the debt component of the debentures, with the residual amount of \$19,040 allocated to the equity component of the debentures. The debt component of the debentures was being accreted to the face value of the loan over the two-year term.

Transaction costs totaled \$16,708 and included \$14,280 in cash and 4,760 warrants with each warrant entitling the holder to purchase one common share at a price of \$3.00 for a period of two years. These finder warrants had a total fair value of \$2,428 determined using the Black-Scholes Option Pricing Model (note 13(e)). These transaction costs were allocated to the liability and the equity components of the debentures.

The Company did not pay the interest due in March 2024 and March 2025 and began discussions with debenture holders to issue common shares to settle the outstanding interest and to issue new debentures to settle the March 2025 debentures. Holders of \$230,000 of the March 2025 debentures agreed and in April 2025 153,333 common shares were issued to settle \$46,000 of unpaid interest and new debentures with a face value of \$230,000 and expiry dates of March 28, 2026 and March 28, 2027 were issued. See *March 2026/2027 series*. The remaining \$8,000 of debentures was repaid in cash along with \$1,600 of interest during the second quarter of 2025.

The issuance of the March 2026 and March 2027 debentures was considered an extinguishment of the March 2025 series of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the March 2025 debentures of \$27,163 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

#### November 2026 series

In November 2021 the Company completed an offering of convertible debentures with a total face value of \$8,050,000. The debentures were unsecured and had a term of five years and bore interest at 8% annually, payable in arrears beginning one year after their date of issuance.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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The debentures were convertible into shares of Organto at \$5.00 per share and interest was not convertible. The holders could convert all or part of the debentures at any time after November 30, 2023. If, at any time after November 30, 2023, the 20-day volume weighted average trading price of the Company's shares on the TSXV exceeded \$6.25, the Company had the right to force conversion of the debentures. The Company could repay all or a portion of the convertible debentures by issuing common shares worth \$1,053 based on their current market price for each \$1,000 face value of convertible debentures. The Company could also pay all or a portion of the interest payable by issuing common shares to the debenture trustee who shall sell the common shares and use the proceeds to pay the interest due to debenture holders.

The Company initially recorded \$6,278,676 as the fair value of the debt component of the debentures, with the residual amount of \$1,771,324 allocated to the equity component of the debentures. The debt component of the debentures was being accreted to the face value of the loan over the five-year term.

Transaction costs of \$956,627 were paid in cash including \$126,084 in finder's fees. Finder's fees totaled \$483,000 and included 96,600 warrants with each warrant entitling the holder to purchase one common share at a price of \$5.00 for a period of two years. A total of \$1,215,515 in transaction costs was allocated to the liability and the equity components of the debentures.

The Company did not pay the interest due in November 2023 or November 2024 and entered into discussions with the holders of these debentures to partially convert the debentures into common shares and restructure the maturity and future interest payment dates. In March 2025 the Company received notice that a private, arms-length corporation had purchased over 67% of the outstanding November 2026 debentures and began discussions to potentially restructure the November 2026 debentures. In June 2025 the Company issued 40,250,000 common shares to settle the outstanding principal amount of \$8,050,000 and accrued interest of \$1,644,405 (note 13(a)). These shares are subject to a contractual restriction on transfer whereby they are restricted from trading for a period of 18 months from their date of issue, following which they will be released as to 25% per quarter, such that all these shares will be freely tradable after 30 months from their issuance. See notes 13(a), 17 and 18.

#### December 2025/2026 series

In April 2025 the Company issued convertible debentures with a total face value of \$2,018,350. These debentures are unsecured with \$1,009,175 maturing on December 29, 2025 and \$1,009,175 maturing on December 29, 2026. Interest is at 10% annually and is payable in arrears beginning one year after their date of issuance.

The debentures are convertible into shares of Organto at \$0.60 per share and interest is not convertible. The holder may convert all or part of the debentures at any time and if, at any time after August 16, 2025, the closing price of the Company's shares exceeds \$0.90 or more for ten consecutive trading days, the Company has the right to force conversion of the debentures.

The Company calculated a fair value of \$2,204,736 for the debentures and recorded \$1,909,555 as the fair value of the debt component of the debentures, with the residual amount of \$295,181 allocated to the equity component of the debentures. The debt component of the debentures is being accreted to the face value of the debentures over the term of the debentures.

The issuance of this series of debentures was considered an extinguishment of both the December 2024 series A and December 2024 series B debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the December 2024 series A and December 2024 series B debentures of \$186,386 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

In July 2025 debentures maturing in December 2025 with a face value of \$87,500 and a book value of \$85,539 were converted into 145,833 common shares. Interest of \$4,531 was paid on conversion.

\$921,675 of debentures with a maturity date of December 29, 2025 are classified as short-term and \$1,009,175 of debentures with a maturity date of December 29, 2026 are classified as long-term.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements For the Nine Months Ended September 30, 2025 and 2024 (Unaudited - Expressed in Canadian Dollars)

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#### February 2026/2027 series

In April 2025 the Company issued convertible debentures with a total face value of \$295,000. These debentures are unsecured with \$147,500 maturing on February 28, 2026 and \$147,500 maturing on February 28, 2027. Interest is at 10% annually and is payable in arrears beginning one year after their date of issuance.

The debentures are convertible into shares of Organto at \$0.60 per share and interest is not convertible. The holder may convert all or part of the debentures at any time and if, at any time after August 16, 2025, the closing price of the Company's shares exceeds \$0.90 or more for ten consecutive trading days, the Company has the right to force conversion of the debentures.

The Company calculated a fair value of \$328,403 for the debentures and recorded \$278,022 as the fair value of the debt component of the debentures, with the residual amount of \$50,381 allocated to the equity component of the debentures. The debt component of the debentures is being accreted to the face value of the debentures over the term of the debentures.

The issuance of this series of debentures was considered an extinguishment of the February 2025 series of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the February 2025 debentures of \$33,403 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

The \$147,500 of debentures with a maturity date of February 28, 2026 are classified as short-term and the \$147,500 of debentures with a maturity date of February 28, 2026 are classified as long-term.

#### March 2026/2027 series

In April 2025 the Company issued convertible debentures with a total face value of \$230,000. These debentures are unsecured with \$115,000 maturing on March 28, 2026 and \$115,000 maturing on March 28, 2027. Interest is at 10% annually and is payable in arrears beginning one year after their date of issuance.

The debentures are convertible into shares of Organto at \$0.60 per share and interest is not convertible. The holder may convert all or part of the debentures at any time and if, at any time after August 16, 2025, the closing price of the Company's shares exceeds \$0.90 or more for ten consecutive trading days, the Company has the right to force conversion of the debentures.

The Company calculated a fair value of \$257,163 for the debentures and recorded \$216,040 as the fair value of the debt component of the debentures, with the residual amount of \$41,123 allocated to the equity component of the debentures. The debt component of the debentures is being accreted to the face value of the debentures over the term of the debentures.

The issuance of this series of debentures was considered an extinguishment of the March 2025 series of debentures. As such, the fair value of both the debt component and the equity component of the debentures was calculated and the excess over face value was recorded as a loss on extinguishment of the March 2025 debentures of \$27,163 in the period ended September 30, 2025. See notes 13(a), 17 and 18.

In September 2025 debentures maturing in March 2026 with a face value of \$115,000 and a book value of \$112,281 were converted into 191,664 common shares. Interest of \$5,608 was paid on conversion.

The remaining \$115,000 of debentures with a maturity date of March 28, 2026 are classified as long-term.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

A summary of the convertible debentures is as follows:

	(\$)
Balance at January 1, 2024	10,650,564
Settled against grower advances	(97,500)
Accretion	88,286
<b>Balance at December 31, 2024</b>	<b>10,641,350</b>
Repaid in cash	(48,000)
Settled with new debentures	(2,543,350)
Settled with common shares	(8,050,000)
Issued to settle debentures	2,790,302
Allocated to equity component	(386,685)
Converted	(197,820)
Accretion	47,457
<b>Balance at September 30, 2025</b>	<b>2,253,254</b>

	September 30, 2025 (\$)	December 31, 2024 (\$)
Convertible debentures by maturity:		
Debentures subject to restructuring	-	10,641,350
Maturing in less than one year	1,055,940	-
Maturing in more than one year	1,197,314	-
	<b>2,253,254</b>	<b>10,641,350</b>

Accrued interest on all outstanding debentures totals \$168,600 and is recorded in accounts payable and accrued liabilities at September 30, 2025 (December 31, 2024 - \$1,851,628).

See note 25.

## 12. Other liabilities

Other liabilities is comprised of:

	September 30, 2025 (\$)	December 31, 2024 (\$)
Earnouts payable – long-term portion	-	388,088
Promissory note – long-term portion	-	172,505
	<b>-</b>	<b>560,593</b>

As part of the consideration paid for the acquisition of New Fruit Group, the Company entered into an agreement with the former shareholders of New Fruit Group whereby if certain growth targets are achieved in the three years after acquisition, up to €650,000 could be payable. The fair value of the earnout liability was calculated by discounting the expected future payments and then accreting to its face value over their term or until fully paid. The earnout earned in 2023 totalled €39,179 and was paid in 2024. In April 2025 the Company paid a total of \$350,000 to the former shareholders of New Fruit Group to fully settle both the 2024 earnout of €20,162 and any future amounts that would otherwise be payable under the earnout agreement. The Company recorded a gain of \$104,319 on the settlement of the earnout liability.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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Part of the consideration paid to acquire New Fruit Group was the issuance of a promissory note by the Company to the former shareholders of New Fruit Group. The promissory note bore interest at 2% and was for €146,447 with payments due in 2025 and 2026. The fair value of the promissory note was calculated by discounting the future payments at 28.3% per annum and was being accreted to its face value over its three-year term. In April 2025 the Company settled the promissory note and associated accrued interest totalling \$214,252 by issuing 2,200,000 common shares to the former shareholders of New Fruit Group (note 13). The Company recorded a loss of \$225,748 on the settlement of the promissory note (note 18).

### 13. Share capital

#### (a) Common shares

The Company is authorized to issue an unlimited number of common shares without par value. At September 30, 2025 the Company had 178,884,027 common shares issued and outstanding (December 31, 2024 – 34,318,382).

In September 2025 the Company closed a private placement and issued 16,000,000 units at a price of \$0.50 per unit for proceeds of \$8,000,000. Each unit consisted of one common share and one half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of \$0.75 for a period of eighteen months. Share issue costs totalled \$1,075,382 including \$600,000 paid in cash to finders. Finders were also issued warrants entitling them to purchase 1.2 million common shares at a price of \$0.50 per share for a period of eighteen months. The proceeds were received in September 2025 and are to be used for working capital and the repayment of short-term debt. In addition to the four month hold period imposed by securities legislation, the common shares, warrants and any shares issued upon exercise of the warrants and finders' warrants are also subject to an additional twelve month hold period commencing on the date of their issuance.

In September 2025 the Company issued 191,664 common shares upon the exercise of \$115,000 face value of convertible debentures maturing in March 2026 (note 11).

In July 2025 the Company issued 4,380,000 common shares to settle \$438,000 of advisory fees which were recorded in restructuring costs. The common shares have a hold period expiring in November 2025 and the Company recorded a loss of \$1,686,300 on the settlement of these fees (note 18).

In July 2025 the Company issued 145,833 common shares upon the exercise of \$87,500 face value of convertible debentures maturing in December 2025 (note 11).

In June 2025 the Company closed a private placement and issued 4,000,000 units at a price of \$0.25 per unit for proceeds of \$1,000,000. Each unit consisted of one common share and one half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of \$0.35 for a period of eighteen months. \$60,000 was paid in cash to finders and other share issue costs totalled \$17,195. The common shares are subject to a four month hold period that expires in October 2025. The proceeds were received in July 2025 and used for working capital.

In June 2025 the Company issued 40,250,000 common shares to settle the \$8,050,000 8% debentures due in November 2026 and their associated accrued interest of \$1,644,405. The common shares are subject to hold periods expiring in March 2027, June 2027, September 2027 and December 2027. The value of the shares issued was discounted from the market price at the time of their issue due to their extended hold periods and the Company recorded a loss of \$1,341,642 on the settlement of the 8% debentures and associated interest (note 18).

In April 2025 the Company completed a private placement of 53,099,910 common shares at a price of \$0.10 per share for proceeds of \$5,309,991. 2,369,680 common shares were also issued to settle finder's fees of \$255,568 and \$18,600 was paid in cash to finders. The Company recorded a loss of \$236,968 on the settlement of finder's fees. Other share issue costs totalled \$32,816. The common shares were subject to a four month hold period that expired in August 2025. The proceeds were used to settle the New Fruit Group earnout liability (note 12) and for working capital.

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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In April 2025 the Company issued 1,695,568 common shares to settle the interest due on convertible debentures originally due in December 2024, February 2025 and March 2025. The common shares had a hold period that expired in August 2025 and the Company recorded a gain of \$169,556 on the settlement of the interest (note 18).

In April 2025 the Company issued 2,200,000 common shares to the former shareholders of New Fruit Group to settle the promissory note liability (note 12). The common shares had a hold period that expired in August 2025 and the Company recorded a loss of \$225,748 on the settlement of the promissory note and associated interest (note 18).

In April 2025 the Company issued 563,940 common shares to settle certain accounts payable totalling \$56,394. The common shares had a hold period that expired in August 2025 and the Company recorded a loss of \$56,394 on the settlement of the accounts payable (note 18).

In April 2025 the Company issued 19,669,050 common shares to settle short-term loans of \$1,783,206 and their associated interest of \$183,700 (note 10). The common shares had a hold period that expired in August 2025 and the Company recorded a loss of \$1,966,904 on the settlement of the promissory note and associated interest (note 18).

In April 2024 the Company completed a private placement of 5,750,000 common shares at a price of \$0.10 per share for proceeds of \$575,000 with one director of the Company having purchased 5,150,000 common shares. No finder's fees were paid and the common shares were subject to a four month hold period that expired in August 2024. The proceeds were used to repay several of the short-term loans and for working capital.

#### (b) Shares to be issued

The Company received \$350,000 in July 2025 in advance of the exercise of 1,000,000 warrants (note 25).

The Company received \$2,299,935 during the nine months ended September 30, 2025 and \$1,545,505 during year ended December 31, 2024 in advance of the April 2025 private placement.

The Company has also granted share bonuses to senior management issuable upon certain milestones being met in 2025. All milestones have been met and the Company is in the process of obtaining regulatory and shareholder approval in order to issue 1,475,385 common shares to settle the bonuses. \$575,400 was accrued and expensed as stock based compensation in the Company's 2024 consolidated statement of comprehensive loss. Any shares issued will be subject to a four month hold period.

#### (c) Share options

The Company has adopted a rolling stock option plan whereby the Board of Directors, may from time to time, grant options to directors, officers, employees or non-employee service providers to a maximum of 10% of the outstanding common shares of the Company at any point in time, less any stock options already reserved for issuance under the stock option plans of the Company or granted under any other employee incentive purchase plan that the Company may adopt. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the Company's Board of Directors.

7,975,000 options with a fair value of \$914,600 have been granted in 2025. The Company recorded a stock-based compensation expense relating to options that vested in the nine months ended September 30, 2025 of \$525,358 (2024 – \$173,470) and \$167,969 in the three months ended September 30, 2025 (2024 – \$65,950). No options were granted in 2024.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

A summary of the Company's stock options is as follows:

	Total options		Exercisable options	
	Total options	Weighted average exercise price (\$)	Exercisable options	Weighted average exercise price (\$)
Balance, January 1, 2024	1,687,000	2.15	1,250,400	2.03
Vested	-	-	189,100	2.44
Forfeited	(269,000)	2.01	(181,500)	1.65
Expired	(353,000)	1.61	(353,000)	1.61
<b>Balance at December 31, 2024</b>	<b>1,065,000</b>	<b>2.35</b>	<b>905,000</b>	<b>2.36</b>
Granted	7,975,000	0.21	1,583,750	0.21
Vested	-	-	351,000	0.26
Expired	(255,000)	0.11	(255,000)	0.11
<b>Balance at September 30, 2025</b>	<b>8,785,000</b>	<b>0.45</b>	<b>2,584,750</b>	<b>0.90</b>

A summary of the Company's share options outstanding and exercisable at September 30, 2025 is as follows:

Exercise price (\$)	Average years to expiry	Number of options outstanding	Number of options exercisable
0.10	4.45	600,000	120,000
0.12	4.50	1,300,000	440,000
0.20	4.55	4,550,000	1,005,000
0.35	4.66	1,400,000	318,750
0.50	3.08	25,000	10,000
0.54	4.83	125,000	25,000
1.35	2.67	100,000	60,000
1.80	0.18	30,000	30,000
1.90	2.48	30,000	18,000
2.10	2.22	130,000	130,000
2.65	0.23	70,000	70,000
2.85	0.33	30,000	30,000
3.00	1.21	35,000	28,000
3.70	1.15	330,000	270,000
4.20	0.41	30,000	30,000
	<b>4.27</b>	<b>8,785,000</b>	<b>2,584,750</b>

The Company recognizes stock-based compensation over the vesting period of the underlying options using the Black-Scholes Option Pricing Model. Option pricing methods require the input of highly subjective assumptions including expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted and/or vested during the period. The fair value of the options granted in 2025 was calculated using the Black-Scholes Option Pricing Model with the following inputs: expected price volatilities of 100%, risk free interest rates of 2.64-3.05%, expected lives of 5 years and no dividend yield.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### (d) Restricted share units

The Company has adopted a restricted share unit (“RSU”) plan to issue RSUs whereby the total aggregate RSUs and stock options outstanding may be up to 10% of its issued capital at the time of an applicable option grant. Under the RSU plan, the Company’s Board of Directors may from time to time, grant RSUs to directors, officers, employees or consultants. The vesting terms of an RSU are at the discretion of the Board of Directors. The option to settle the RSUs in cash or in shares is also at the option of the Board of Directors.

1,150,000 RSUs with a fair value of \$505,000 were granted in 2025. The Company recorded a stock-based compensation expense relating to RSUs that vested in the nine months ended September 30, 2025 of \$106,250 (2024 - \$51,042) and \$99,948 in the three months ended September 30, 2025 (2024 - \$18,542). No RSUs were granted in 2024.

A summary of the Company’s RSUs is as follows:

	Total RSUs		Exercisable RSUs	
	Total RSUs	Market price on grant (\$)	Exercisable RSUs	Market price on grant (\$)
Balance, January 1, 2024	407,500	2.15	292,500	2.31
Vested	-	-	102,500	1.50
Expired	(227,500)	2.55	(227,500)	2.55
<b>Balance at December 31, 2024</b>	<b>180,000</b>	<b>1.33</b>	<b>167,500</b>	<b>1.37</b>
Granted	1,150,000	0.44	-	-
<b>Balance at September 30, 2025</b>	<b>1,330,000</b>	<b>0.56</b>	<b>167,500</b>	<b>1.37</b>

The fair value of each RSU is determined using the closing price of the common shares of the Company on the date of grant.

### (e) Warrants

In September 2025 the Company issued 8,000,000 warrants in connection with the September 2025 private placement (note 13(a)). These warrants are exercisable for a period of eighteen months at an exercise price of \$0.75 per share. The Company applied the residual method to account for the issuance of the warrants and calculated their fair value as \$nil.

In September 2025 the Company issued 1,200,000 warrants to finders in connection with the September 2025 private placement (note 13(a)). These warrants are exercisable for a period of eighteen months at an exercise price of \$0.50 per share. The fair value of these warrants of \$414,000 was calculated using the Black-Scholes Option Pricing Method with the following inputs: expected price volatility of 101%, risk free interest rate of 2.51%, expected life of eighteen months and no

## Organto Foods Inc.

### Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

dividend yield. The value of these warrants was recorded as a share issue cost and deducted from the proceeds of the private placement.

In June 2025 the Company issued 2,000,000 warrants in connection with the June 2025 private placement (note 13(a)). These warrants are exercisable for a period of eighteen months at an exercise price of \$0.35 per share. The Company applied the residual method to account for the issuance of the warrants and calculated their fair value as \$nil.

Warrants outstanding and exercisable at September 30, 2025 is as follows:

Grant date	Number of warrants	Exercise price (\$)	Expiry date
April 2025	2,000,000	0.35	December 2026
September 2025	8,000,000	0.75	March 2027
September 2025	1,200,000	0.50	March 2027
	<b>11,200,000</b>	<b>0.65</b>	

A summary of the Company's warrants is as follows:

	Number of warrants	Weighted average exercise price (\$)
Balance at January 1, 2024	29,088	3.00
Expired	(18,428)	3.00
<b>Balance at December 31, 2024</b>	<b>10,660</b>	<b>3.00</b>
Issued	11,200,000	0.35
Expired	(10,660)	3.00
<b>Balance at September 30, 2025</b>	<b>11,200,000</b>	<b>0.35</b>

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### (f) Reserves

	Options and RSUs (\$)	Warrants (\$)	Other reserves (\$)	Cumulative translation (\$)	Total (\$)
Balance, January 1, 2024	4,191,708	752,880	2,673,859	414,018	8,032,465
Stock-based compensation	256,249	-	-	-	256,249
Accumulated comprehensive loss	-	-	-	642,813	642,813
<b>Balance at December 31, 2024</b>	<b>4,447,957</b>	<b>752,880</b>	<b>2,673,859</b>	<b>1,056,831</b>	<b>8,931,527</b>
Stock-based compensation	631,608	-	-	-	631,608
Issue of convertible debentures	-	-	386,685	-	386,685
Warrants issued in private placement	-	414,000	-	-	414,000
Accumulated comprehensive income	-	-	-	329,795	329,795
<b>Balance at September 30, 2025</b>	<b>5,079,565</b>	<b>1,166,880</b>	<b>3,060,544</b>	<b>1,386,626</b>	<b>10,693,615</b>

### 14. Cost of sales

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Produce purchases (note 5)	13,242,582	4,528,064	41,414,897	12,973,779
Freight out	5,833	22,238	21,187	35,172
Packaging and other	584,610	40,840	855,248	69,249
	<b>13,833,025</b>	<b>4,591,142</b>	<b>42,291,332</b>	<b>13,078,200</b>

### 15. Selling, general and administration expenses

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Administration and office	526,354	312,326	1,234,596	498,030
Professional fees	93,021	210,475	339,526	435,127
Amortization (notes 8 and 9)	71,673	41,300	161,044	123,900
Bad debt expense (recovery)	-	2,285	-	(56,225)
	<b>691,048</b>	<b>566,386</b>	<b>1,735,166</b>	<b>1,000,832</b>

### 16. Other income (loss)

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Proceeds from VAT reassessment	1,458	-	10,205	-
Proceeds from return of deposit	-	-	11,377	-
Other	23	-	504	-
	<b>1,481</b>	<b>-</b>	<b>22,086</b>	<b>-</b>

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

### 17. Restructuring costs

In the second quarter of 2025 the Company completed several transactions and reduced its debt by \$10,928,040. The Company issued common shares to settle \$508,670 of interest payable on its 10% convertible debentures (notes 11 and 13(a)), \$214,252 of principal and interest payable on the promissory note issued as part of the consideration paid to acquire the New Fruit Group (notes 12 and 13(a)), \$56,394 of accounts payable (note 13(a)) and \$9,694,405 of principal and interest payable on its 8% convertible debentures (notes 11 and 13(a)). The Company completed two private placements and used \$350,000 of the proceeds to discharge its \$454,319 obligation under the earnout agreement entered into as part of the consideration paid to acquire the New Fruit Group (note 12).

Costs associated with these debt reduction transactions are:

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Regulatory and filing fees	2,140	-	60,200	-
Legal fees	5,746	-	163,462	-
Advisory fees	76,500	-	547,000	-
Other	-	-	7,000	-
	<b>84,386</b>	<b>-</b>	<b>770,662</b>	<b>-</b>

\$438,000 of the advisory fees were paid by issuing 4,380,000 common shares (note 13(a)) while the remainder of the costs were paid or are payable in cash.

### 18. Loss on settlement of debt

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Gains on settlement of:				
Interest payable on 10% debentures (note 11)	-	-	169,556	-
New Fruit Group earnout liability (note 12)	-	-	104,319	-
Accounts payable	-	-	9,216	-
Losses on settlement of:				
April 2025 private placement finder's fee (note 13(a))	-	-	(236,968)	-
New Fruit Group promissory note (note 12)	-	-	(225,748)	-
Accounts payable	-	-	(56,394)	-
Short-term loans and associated interest (note 10)	-	-	(1,966,904)	-
Principal and interest on 8% debentures (note 11)	-	-	(1,341,642)	-
Restructuring advisory fee (note 17)	(1,686,300)	-	(1,686,300)	-
Loss on extinguishment of 10% debentures (note 11)	-	-	(246,952)	-
<b>Net loss on settlement of debt</b>	<b>(1,686,300)</b>	<b>-</b>	<b>(5,477,817)</b>	<b>-</b>

The gain on the settlement of interest payable on the 10% debentures was realized from the issuance of common shares. The gains on the settlement of the New Fruit Group earnout liability and accounts payable were realized in cash. All the losses on settlements were realized from the issuance of common shares. The \$246,952 loss on the extinguishment of the 10% debentures is included in the carrying values of the replacement 10% debentures in current and non-current liabilities on the condensed interim consolidated statement of financial position.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

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### 19. Gain on dissolution of subsidiary

In April 2024 the Company wound down and dissolved its subsidiary in Argentina which had been inactive since 2018. This subsidiary had an insignificant amount of assets and liabilities, all of which were written off. The Company did not receive any proceeds or pay any amounts to dissolve the subsidiary. The gain realized on the dissolution is as follows:

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2024 (\$)	2023 (\$)
Assets written off	-	-	-	(17,928)
Accrued liabilities written off	-	-	-	7,546
Historical foreign exchange gains realized on dissolution	-	(11,689)	-	377,322
<b>Gain on dissolution of subsidiary</b>	-	<b>(11,689)</b>	-	<b>366,940</b>

### 20. Income (loss) from discontinued operations

In June 2024 the Company completed the sale of 100% of the outstanding shares of three of its wholly owned Dutch operating subsidiaries: Organto Europe BV; Fresh Organic Choice BV; and BeeOrganic BV to an independent third-party purchaser.

As a result of the sale of the Dutch operating subsidiaries, all revenue and expenses, as well as any gains and losses relating to the operations of the sold subsidiaries have been eliminated from the Company's continuing operations and are instead shown as a single line item in the condensed interim consolidated statements of comprehensive loss. Comparative prior year amounts have been restated to conform with this presentation. Cash flows relating to the operations of the sold subsidiaries have also been separated from cash flows relating to the Company's current operations and comparative prior year amounts have been restated to conform with the current presentation in the condensed interim consolidated statement of cash flows.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Sales	-	-	-	3,592,879
Cost of sales	-	-	-	(3,582,106)
Gross profit	-	-	-	10,773
Selling, general and administration expenses	-	-	-	(515,270)
Management fees	-	-	-	(60,140)
Labour costs and benefits	-	-	-	(747,381)
Interest expense	-	-	-	(1,312,018)
Realized loss on derivative assets	-	-	-	(108,068)
Unrealized gain on revaluation of derivative liabilities	-	-	-	(51,303)
Foreign exchange gain (loss)	-	(72,365)	-	98,661
Gain on sale of subsidiaries	-	-	-	27,958
Gain on sale of subsidiaries	-	-	-	2,563,295
<b>Gain (loss) from discontinued operations</b>	-	<b>(72,365)</b>	-	<b>1,218,525</b>

### 21. Related party transactions

(a) Directors and key management personnel compensation:

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Salaries, consulting and management fees				
- continuing operations	206,845	72,674	485,141	216,923
- discontinued operations	-	-	-	118,894
Directors' fees	22,667	-	22,667	-
Stock based compensation				
- continuing operations	130,587	36,984	420,229	150,520
- discontinued operations	-	16,709	-	28,704
	<b>360,098</b>	<b>126,367</b>	<b>928,037</b>	<b>515,041</b>

Bonuses to members of the senior management team were accrued in 2024 and are proposed to be paid upon the completion of certain milestones in 2025. The bonuses consisted of a cash portion and a portion to be paid in shares. Both portions were unpaid at both September 30, 2025 and December 31, 2024. With the milestones met, the cash portion was paid in October 2025 and the Company is in the process of obtaining regulatory and shareholder approval in order to issue 1,475,385 common shares to settle the bonuses. The amount payable in cash is recorded in accounts payable and accrued liabilities and the amount payable in shares is recorded in shares to be issued at both September 30, 2025 and December 31, 2024.

Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the periods ended September 30, 2025 and 2024.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

(b) Transactions with related parties:

	Three months ended September 30		Nine months ended September 30	
	2025 (\$)	2024 (\$)	2025 (\$)	2024 (\$)
Administrative services				
- discontinued operations	-	-	-	113,503
Marketing services				
- continuing operations	22,500	-	45,000	-
Office lease payments				
- discontinued operations	-	-	-	77,214

(c) Outstanding balances payable (receivable):

	September 30, December 31,	
	2025 (\$)	2024 (\$)
Salaries, consulting and management fees	375,299	337,076
Directors' fees	22,667	-
Marketing services	25,425	-
Short-term loans	-	33,000
Interest on short term loans and convertible debentures	-	74,632
Expense reimbursements	27,380	41,739
Convertible debentures	101,950	351,950

## 22. Supplemental cash flow information

	Nine months ended September 30	
	2025 (\$)	2024 (\$)
Items not involving cash:		
Amortization	161,044	123,900
Bad debt expense	-	(56,225)
Stock-based compensation	631,608	224,512
Interest expense and accretion	615,662	916,042
Other loss	(10,242)	-
Realized gain on sale of investment securities	-	(7,518)
Unrealized gain on revaluation of investment securities	-	(985)
Unrealized loss (gain) on revaluation of derivatives	1,230,745	(274,707)
Loss on settlement of debt	5,477,817	-
Gain on dissolution of subsidiary	-	(366,940)
Foreign currency translation	148,622	59,121
	<b>8,255,256</b>	<b>617,200</b>

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30	
	2025 (\$)	2024 (\$)
Changes in non-cash working capital:		
Receivables	(3,052,286)	(139,966)
Inventories	(1,008,354)	(371,527)
Prepaid expenses	33,730	48,195
Accounts payable and accrued liabilities	2,194,550	1,493,248
	(1,832,360)	1,029,950

Non-cash investing and financing activities include the following:

Common shares issued:

On conversion of 10% convertible debentures	337,497	-
To settle April 2025 private placement finder's fee	473,936	-
To settle interest payable on 10% debentures	339,114	-
To settle principal and interest payable on short-term loans	3,933,810	-
To settle New Fruit Group promissory note	440,000	-
To settle accounts payable	112,788	-
To settle restructuring advisory fee	4,380,000	-
To settle principal and accrued interest on 8% debentures	11,036,047	-

### 23. Segmented information

The Company has one reportable business segment, being the sourcing, logistics, packaging, distribution and marketing of organic, fairtrade and specialty food products in Europe.

In the nine months ended September 30, 2025, 75% of the Company's sales were to 6 customers with each customer accounting for at least 5% of total sales. In the three months ended September 30, 2025, 88% of the Company's sales were to 7 customers with each customer accounting for at least 5% of total sales.

In the nine months ended September 30, 2024, 94% of the Company's sales were to 3 customers with each customer accounting for at least 5% of total sales. In the three months ended September 30, 2024, 95% of the Company's sales were to 4 customers with each customer accounting for at least 5% of total sales. In both periods, these customers act as intermediaries who then sell to retailers who have contracted with the Company.

In the nine months ended September 30, 2025, 75% of the Company's purchases were from 5 suppliers with each supplier accounting for at least 5% of total purchases. In the three months ended September 30, 2025, 89% of the Company's purchases were from 6 suppliers with each supplier accounting for at least 5% of total purchases.

In the nine months ended September 30, 2024, 86% of the Company's purchases were from 4 suppliers with each supplier accounting for at least 5% of total purchases. In the three months ended September 30, 2024, 92% of the Company's purchases were from 6 suppliers with each supplier accounting for at least 5% of total purchases.

## Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the Nine Months Ended September 30, 2025 and 2024  
(Unaudited - Expressed in Canadian Dollars)

Information by geographical areas is as follows:

	September 30, 2025 (\$)	December 31, 2024 (\$)
<b>Non-current assets</b>		
Germany	1,326,921	1,394,429
Netherlands	127,381	-
	<b>1,454,302</b>	<b>1,394,429</b>

### 24. Commitments

At September 30, 2025 the Company had entered into agreements which call for minimum payments as follows:

	Within 1 year (\$)	Between 1 and 5 years (\$)	After 5 years (\$)	Total (\$)
Management fees	154,750	-	-	154,750
Labour and benefits	94,001	-	-	94,001
Property lease	86,558	-	-	86,558
Forward currency exchange contracts	13,510,086	-	-	13,510,086
	<b>13,845,396</b>	-	-	<b>13,845,396</b>

The Company has a hedging facility with a European financial services company in order to hedge its exposure to fluctuations in the US dollar vs Euro exchange rate. The facility is for forward exchange contracts with an undrawn balance of US\$9.7 million at September 30, 2025.

### 25. Subsequent events

#### Convertible debentures

\$2,340,850 face value of convertible debentures were repaid in November 2026 together with \$206,829 of accrued interest.

#### Warrants

1,000,000 common shares were issued in October 2025 on the exercise of 1,000,000 warrants (note 13(b)).

#### Stock Options

In October 2025 the Company issued 200,000 stock options to employees with terms of five years and an exercise price of \$0.67 per share. Twenty percent of these options will vest immediately and twenty percent every year thereafter.

In November 2025 the Company issued 200,000 stock options to a consultant with a term of two years and an exercise price of \$0.58 per share. Twenty-five percent of these options will vest three months after issue and twenty-five percent every three months thereafter.

#### Marketing services contract

In November 2025 the Company entered into a contract for marketing, advertising, and public awareness services. The contract is for twelve months at a total cost of \$200,000.

## **Organto Foods Inc.**

Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

(Unaudited - Expressed in Canadian Dollars)

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### Borrowing and foreign exchange facilities

In November 2025, the Company's European subsidiary established new integrated borrowing and foreign exchange facilities with a Netherlands bank. The borrowing facility is currently for up to €4 million based on qualified accounts receivable as collateral with the potential to increase as our business grows. Any borrowed funds will bear interest at the one-month EURIBOR rate plus 2.15%. An annual standby fee of 0.50% of the average unused portion of the facility will also be charged.