



Organto Foods Inc.
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ORGANTO FOODS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**For the Year Ended
December 31, 2025**

(Stated in Canadian Dollars)

BASIS OF PRESENTATION

The following Management's Discussion and Analysis ("MD&A") provides an overview of the business and operations of Organto Foods Inc. for the year ended December 31, 2025. This report should be read in conjunction with our December 31, 2025 consolidated financial statements which have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca and our website at www.organto.com.

Except where the context otherwise requires, all references in this MD&A to the "Company", "we", "us", "our" and "Organto" or similar words and phrases relate to Organto Foods Inc. and its subsidiaries, taken together.

All currency amounts are expressed in Canadian dollars unless noted otherwise. In addition, "this quarter" or "current quarter" refers to the three months ended December 31, 2025.

On September 29, 2023, the Company completed a consolidation of its common shares on the basis of one new common share for every existing 10 common shares. The share consolidation has been retroactively presented in this MD&A and all share and per share amounts are presented on a post consolidation basis.

This MD&A is dated April 28, 2026.

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to as "forward-looking statements"). Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "planned," "budget," "scheduled," "estimates," "continues," "forecasts," "projects," "targets", "predicts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases, or statements that certain actions, events or results "may," "could," "would," "should," "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any of our future results, performance or achievements expressed or implied by the forward-looking statements; consequently, undue reliance should not be placed on forward-looking statements.

Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about our ability to carry out our plans and objectives; our ability to finance ongoing operations on reasonable terms via equity and/or various forms of debt; our ability to sell our products through various go-to-market channels; our ability to build and expand our products portfolio; our ability to procure required volumes of organic, fairtrade, non-GMO and specialty produce from strategic third party suppliers; our ability to meet import and export requirements; our ability to attract and retain skilled personnel and professionals; our ability to operate and/or partner with strategic suppliers and service providers around the globe; our ability to acquire complimentary businesses on acceptable terms and subsequently integrate and operate these businesses; the impact of changes in foreign exchange rates on costs and results; transportation and logistics availability and costs; market competition; ongoing relations with our personnel and with our business partners; and general business and economic conditions.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Whether actual results and developments will agree with our expectations and predictions is subject to many risks and uncertainties. Accordingly, there are or will be important factors that could cause our actual results to differ materially from our expectations and predictions. We believe these factors include, but are not limited to, the following:

- we have a history of operating losses and may incur further losses until our operating platform achieves scale;
- there is risk in our ability to continue as a going concern due to losses incurred as we have built our operating platform combined with risk in our working capital position and our accumulated deficit;
- we may not be able to secure financing required to meet future capital needs to continue operations;
- we have a history of negative cash flows from operating activities and may need to raise additional financing to fund operations;
- additional financing may dilute common shareholders or place restrictions on our operations;
- we operate in a competitive global industry and the actions of competitors could impact revenues and profitability;

- we must attract and retain key personnel and professionals to achieve our business objectives;
- our customers are generally not obligated to continue to purchase products from us;
- consumer food preferences are difficult to predict and may change;
- if we do not manage our supply chain effectively, our operating results may be adversely affected;
- adverse weather conditions and/or natural disasters could impact costs and availability of our products;
- we are subject to transportation risks;
- volatility in the prices of raw materials, packaging and freight, fuel and energy could increase our cost of sales and reduce gross profit;
- we are subject to the risk of product contamination and product liability claims which could adversely affect our results and financial condition;
- loss of a key strategic grower could materially reduce revenues and earnings;
- our international operations expose us to risks inherent with the countries where we are doing business;
- information technology failures could disrupt our operations and negatively impact our business;
- our business is subject to numerous environmental and food safety regulations and policies;
- we may not be able to effectively manage our growth and integrate companies we may acquire;
- impairment charges related to long-lived assets or goodwill could adversely affect our business;
- global geo-political tensions or direct conflict could adversely affect our business;
- our stock price may be volatile, which may impact returns to our shareholders;
- our common shares are thinly traded, and our shareholders may be unable to sell at or near ask prices, or at all;
- we do not anticipate paying any cash dividends to our common shareholders and as a result, shareholders may only realize a return when their shares are sold; and
- our business is subject to changing regulations related to corporate governance and public disclosure that may increase both our costs and risk of non-compliance.

Consequently, all forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that our actual results or the developments we anticipate will be realized. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and the detailed risks and uncertainties that are included in this report.

NON-IFRS FINANCIAL MEASURES

The information presented herein refers to the non-IFRS financial measure of adjusted gross profit. We hedge currencies for certain product categories where both the supply and sales commitments are fixed in different foreign currencies. The gains and losses from these hedging activities are combined with gross profit to determine adjusted gross profit. This measure is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. Non-IFRS financial measures should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS and are unlikely to be comparable to similar measures presented by other issuers. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective and thus highlight trends in its business that may not otherwise be apparent when relying solely on IFRS measures. We believe that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of the Company. Our management also uses non-IFRS financial measures to facilitate operating performance comparisons from period to period and to prepare annual operating budgets and forecasts.

OVERVIEW

Organto is an integrated provider of organic, fairtrade and non-GMO fruit and vegetable products focused on serving socially responsible and health-conscious consumers. Our purpose is “to bring healthy and organic fruit and vegetable products to market by creating sustainable and transparent linkages between growers and premium end markets.” In hand with this our vision is “to be a leading global provider of healthy and organic fruit and vegetable products utilizing an integrated business model, trusted for driving equitable returns to all parties in the value chain.” Our mission is to “make sustainably produced healthy and organic fruit and vegetable products available for every consumer”.

GUIDING PRINCIPLES

Our guiding principles, represented by the three symbolic leaves in our logo, reflect the foundation of our business platform, guiding and aligning our activities.

- **Healthy:** Providing nutritious, responsibly sourced foods that meet growing consumer demand.
- **Value-Driven:** Creating opportunity and shared value for growers, partners, customers, and shareholders.
- **Sustainable:** Embedding transparency, traceability, and ethical practices across every stage of our operations.

KEY HIGHLIGHTS FOR THE FOURTH QUARTER OF 2025

In the fourth quarter of 2025, we concentrated on sustaining sales activities and advancing operational initiatives designed to position the business for long-term profitability, while also continuing efforts to strengthening our balance sheet. These efforts are expected to continue to strengthen our competitive position and operating efficiency and position our business for long-term growth.

- Sales of \$14.9 million, an increase of 132% versus the prior year.
- Gross profit of \$1.6 million, an increase of 176% versus the prior year.
- Cash operating expenses of 8.6% of sales versus 18.7% in the prior year. Cash operating costs as percentage of sales improved as our business scales and overheads are leveraged.
- EBITDA (Earnings before interest, taxes, depreciation and amortization) of \$(0.27) million versus \$(0.51) million in the prior year, reflecting improved operating results offset by the impact of losses on derivatives used to manage currency risk.
- Balance sheet significantly strengthened as a result of improved operations, debt restructuring and financing activities:
 - Cash (excluding restricted cash) of \$5.7 million versus \$0.3 million at December 31, 2024.
 - Working capital of \$7.6 million versus negative working capital of \$14.6 million at December 31, 2024.
 - Short-term loans and convertible debentures reduced to \$0.03 million versus \$12.5 million at December 31, 2024.

During the quarter we completed a number of corporate development initiatives focused on positioning our business for long-term sustainability.

- In December 2025 we issued 1,475,385 shares to settle \$575,400 of bonuses originally accrued in 2024.
- In November 2025 we entered into integrated financial and foreign exchange facilities providing working capital financing and expanded and less expensive foreign exchange hedging options.
- In November 2025 we repaid all our 10% convertible debentures, completely eliminating all outstanding convertible debentures.
- In October 2025 we issued 1,000,000 common shares and received proceeds of \$1,000,000 on the exercise of warrants.

BUSINESS PLATFORM AND STRATEGY

We employ a business model that links growers with premium end markets using our “field to the shelf” expertise. Driven by consumer and retailer demand for healthy and organic food products, we deliver a range of branded, private label and bulk distributed products to meet these needs via an integrated capital efficient business model with diverse sourcing, logistics, quality control, certification,

processing/packaging and distribution expertise. We strive to provide year-round product supply for many of our products in a sustainable manner, providing complete traceability from the shelf back to the field. Our model is rooted in our commitment to sustainable business practices focused on environmental responsibility and our commitment to the communities where we operate, our people and our shareholders.



We believe that healthy living is not a trend, it is a new global standard as consumers make health an everyday priority. Healthy foods is a key part of the global healthy eating trend, and a result we believe that the demand for healthy and organic foods will continue to grow as consumers focus on food safety, quality, health concerns and the impact the foods they consume have on the environment.



We also believe that organic supply availability will be an important factor to this growth being realized. According to an International Publication by Agence BIO entitled Organic Sector Worldwide, globally the areas grown organically (certified and in conversion) amounted to 96.4 million hectares in late 2022, an increase of 26.6% versus late 2021. In addition, 2.0% of global agricultural land was said to be grown organically in late 2022 versus 0.3% in 2000, an increase of 6.4 times during that period. This report also noted that the global organic foods market increased more than nine-fold in twenty-three years, approaching Euro 141 billion in 2022, and North America and Europe represent nearly three quarters of global organic consumption followed by Asia at approximately 12%.

The organic market in Europe continues to grow as consumers pursue healthy eating options. In 2019 the market increased approximately 8% to Euro 40.7 billion, another 8% in 2019 to Euro 45.0 billion, in 2020 it also grew another 15% to Euro 52.0 billion and in 2022, according to the Research Institute of Organic Agriculture (FiBL), grew approximately 4% to Euro 54.5 billion. In 2023, according to GlobeNewswire, the organic food market was valued at USD 55.21 billion, and according to IMARC Group the market size increased to USD 57.5 billion in 2024, an increase of approximately 4%. The organic fruits and vegetables category represents approximately 24% of the European organic foods market. Globally, it is reported that European countries account for the highest share of organic food sales as a percentage of total food sales.

And the US market continues to grow as well. According to the US Organic Trade Association (OTA) sales of organic foods grew 5.0% in 2019 to approximately US\$51.6 billion, another 12.7% in 2020 to approximately US\$58.1 billion, another 1.7% in 2021 to approximately US\$ 59.1 billion, another 4.2% in 2022 to US\$ 61.7 billion, another 3.4% in 2023 to US \$63.8 billion, and another 2.5% in 2024 to \$65.4 billion, growing at rates that are normally faster than that of conventional products. Also, according to the Organic Trade Association organic foods sales in the US now represents approximately 6% of total food sales. Furthermore, the fresh produce segment is the largest within the organic segment, representing sales of approximately US \$21.5 billion in 2024 and organic produce now accounts for more than 30% of all organic foods consumed in the US.

And according to a July 2025 report from Rabobank entitled “World Fruit Map: A Changing Basket of Fruits and Trade Flows”, despite global fruit production growing at an annual rate of 1.7% over the past decade, both the EU and US have seen declines in production, in turn increasing their dependence on global imports.

Forecasts for both the European and North American organic foods markets suggest continued double-digit growth for many years to come.



* "Europe Organic Food Market Size, Share & Forecast 2024-2032." Market Data Forecast, 2024. ** "North America Organic Food Market Size, Share & Forecast 2024-2032." Market Data Forecast, 2024.

It is our belief in these growing markets, consumer trends and global supply dynamics, combined with our objective of building an efficient year-round supply chain platform that connects growers with premium end markets that underlies our strategic focus and our vision of being a leading global provider of healthy, organic and fairtrade fruit and vegetable products utilizing an integrated asset-efficient business model, serving socially responsible and health-conscious consumers around the globe.

Our long-term growth strategy is to build a differentiated business in organic, fairtrade and specialty fruit and vegetable products fueled by a combination of strong internal growth, market and category expansion and strategic acquisitions. This long-term growth strategy is anchored by our three core operational strategies: *Drive Sales Growth*, *Drive Margin Growth per Unit Sale* and *Build Infrastructure and Organizational Presence*.

- * *Drive Sales Growth* – development of efficient and reliable year-round integrated supply chains, growth of strategic customers and suppliers, expansion into product categories where we deserve to win, and the addition of innovative products to drive sales and margin growth; and
- * *Drive Margin Growth Per Unit Sale* – using our core product categories to maintain stable margins, shifting our product mix over time to higher margin categories including non-fresh and value-added ingredients and consumer packaged goods, and driving efficiencies in logistics, packaging and distribution, combined with strict risk management practices; and
- * *Build Infrastructure and Organizational Presence* – development of our people, processes and systems while responsibly building the organization with the resources necessary to allow the business to scale as required in a cost-efficient and timely manner, with a focus on digital technologies and sustainable business practices to drive both market expansion and efficiencies.

In hand with our private label and bulk distributed product capabilities, we have a number of branded product concepts for our healthy and organic fruit and vegetable products. Our premium “I AM Organic” brand has been built with the objective of linking consumer demand for visibility, transparency and sustainability with our product offering. Our mid-tier non-GMO brand, =Awesome Fruits, provides a unique brand bringing flavor to life via the power of nature for European consumers. Our premium non-GMO brand, ORO, provides products with gold standard quality levels. In hand with our branded products offerings, we work with retail and distribution partners and provide private label and bulk distributed offerings, with the objective of maximizing supply chain and operating efficiencies while creating potential category demand for our branded product portfolio. Our healthy and organic products are currently marketed to a variety of European customers and will be followed by an introduction to other global foods markets when deemed appropriate.



THE ORGANTO ECOSYSTEM: WHAT WE DO

Organto Operates a Global Ecosystem – Uniting Strategy, Operations & Market Delivery



Our mission is to make sustainable, fairtrade, and organic foods reliably available, year-round



Our purpose is to create a smarter, more efficient supply chain connecting growers to markets worldwide



FOCUSED CATEGORIES, RECURRING DEMAND

A Scalable Portfolio for Leading Retailers

Organto's integrated network turns focused category expertise into repeatable retail access

A focused fresh-produce portfolio anchored by high-velocity staples and supported by higher-margin growth categories

PRODUCT PORTFOLIO



Bananas



Mangoes



Ginger



Avocado



Blueberries



Seasonal Items

Relationships with leading grocers provide a strong platform for recurring demand and future category growth

KEY CUSTOMERS

20

major retail accounts served across Europe

#1 & 2

largest grocers in France

#1 & 2

largest grocers in Germany

#1 & 2

largest grocers in Austria

#1 & 3

largest grocers in Denmark

79%

of annual sales are driven by Organto's top 7 customers

Our head office is located at 410 – 1111 Melville St., Vancouver, BC, V6E 3V6, Canada and we have a trading company in Munich, Germany, a logistics and administration office in Breda, the Netherlands and regional offices located in Mexico and Guatemala.

OUTSTANDING SHARE DATA

Our common shares are listed for trading on the TSX Venture Exchange ("TSXV") under the trading symbol "OGO", on the Frankfurt Stock Exchange under the trading symbol "OGF" and are quoted on the OTCQX in the United States under the symbol "OGOFF".

We have authorized capital of an unlimited number of common shares without par value. We have the following capital structure as at the date of this MD&A and December 31, 2025:

	April 28, 2026	December 31, 2025
Common shares issued	189,526,912	181,499,412
Share purchase options outstanding (\$0.10 - \$4.20)	11,457,500	9,035,000
Restricted share units	2,700,000	1,200,000
Warrants (\$0.35 - \$1.00)	5,026,653	10,200,000

See “Liquidity and Capital Resources” for further information.

RECENT DEVELOPMENTS

In April 2026 our European subsidiary expanded its flexible financial funding facility with Netherlands based Cooperatieve Rabobank UA. The facility was increased from €4 million to €7 million, with utilization based on a percentage of qualified accounts receivable.

In March 2026 we completed an early warrant exercise incentive program and issued 7,760,000 common shares for gross proceeds of \$5,820,000 from the exercise of 7,760,000 previously issued and outstanding common share purchase warrants. This program applied to the 8,000,000 warrants issued in September 2025 as part of a non-brokered private placement of units and holders who exercised their warrants received one new common share purchase warrant for every three warrants they exercised for a total of 2,586,653 new warrants. These new warrants entitle the holders to acquire one additional common share an exercise price of \$1.00 per share until March 2027.

In January 2026 we welcomed Chad Hagen to our Board of Directors. Also, in January 2026 Alejandro Maldonado resigned as a Director.

In December 2025 we issued 1,475,385 shares to management and employees to settle \$575,400 of bonuses originally accrued in 2024.

In November 2025 our European subsidiary entered into integrated financial and foreign exchange facilities with Netherlands based Cooperatieve Rabobank UA. The facilities include a €4 million flexible financial funding facility, with utilization based on a percentage of qualified accounts receivable, and with the potential for expansion as the Company's business grows. The foreign exchange facility provides foreign exchange hedging at competitive rates without the need for immediate margin calls.

In November 2025 we repaid all of our 10% convertible debentures with a total face value of \$2,340,850 as well as \$206,829 of accrued interest.

On November 10, 2025, our common shares were upgraded from the OTCQB Venture Market and began trading on the OTCQX Best Market.

In October 2025 1,000,000 common shares were issued on the exercise of warrants. The proceeds for these warrants were received in July 2025.

In September 2025 \$115,000 of the March 2026 convertible debentures were converted by the holders and 191,664 common shares were issued.

In September 2025 we 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. A finder's fee of \$600,000 was paid in cash and other cash settled share issue costs totalled \$61,382. Finders were also granted 1,200,000 warrants entitling them to purchase common shares at a price of \$0.50 for a period of eighteen months. In addition to the usual four month hold period which expired in January 2026, 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. The proceeds were received in September 2025 and are to be used for working capital, the repayment of short-term debt and to fund continued growth opportunities.

On August 5, 2025, our common shares resumed trading on the OTCQB Venture Market, following a period of suspension related to delays in filings, all of which have been addressed.

In July 2025 \$87,500 of the December 2025 convertible debentures were converted by the holders and 145,833 common shares were issued.

In July 2025 we issued 4,380,000 common shares as payment of restructuring advisory fees incurred in connection with the April 2025 reduction of our debts and refinancing and the June 2025 restructuring and settlement of our 8% convertible debentures. These shares were subject to a hold period which expired in November 2025.

In June 2025 we 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 were subject to a four month hold period that expired in October 2025. The proceeds were received in July 2025 and used for working capital. In August 2025 1,000,000 of the warrants issued were exercised, and we received proceeds of \$350,000.

In June 2025 the holders of our 8% convertible debentures, due November 30, 2026, with a face value of \$8.05 million, approved a resolution that authorized and approved the full and final settlement of all principal and interest amounts owing in exchange for 40.25 million common shares. The shares are subject to trading restrictions that will be lifted on 25% of the shares 21 months after their issue, and then a further 25% thereafter every 3 months.

In June 2025 we welcomed Javier Reyes to our Board of Directors. Mr. Reyes serves as Co-Chair together with Steve Bromley.

In April 2025 we completed a private placement of 53,099,910 common shares at a price of \$0.10 per share for proceeds of \$5,309,991 which included share subscriptions of \$1,545,505 received in 2024. 2,369,680 common shares were also issued to settle finder's fees of \$236,968 and finder's fees of \$18,600 were paid in cash on closing. The common shares were subject to a four month hold period that expired in August 2025. The proceeds were used for working capital.

In April 2025 we settled \$1,966,906 short-term loans and accrued interest by issuing 19,669,050 common shares and \$56,394 of accounts payable by issuing 563,940 common shares. The common shares were subject to a four month hold period that expired in August 2025.

In April 2025 we reached an agreement with the holders of \$2,543,350 of the December 2024 series A, December 2024 series B, February 2025 and March 2025 series of convertible debentures under which the holders received 1,695,568 common shares as full payment of the interest due but not paid on the first and second anniversaries of the debentures of \$508,670. The common shares were subject to a four month hold period that expired in August 2025. The maturity dates of the convertible debentures were extended by one year in respect of 50% of the principal amount and by two years in respect of the remaining 50% of the principal amount and the conversion and acceleration prices were changed from \$3.00 and \$4.50 to \$0.60 and \$0.90 respectively. The interest and principal amounts on the remaining \$48,000 of December 2024 series A and March 2025 series of convertible debentures were repaid in cash in the second quarter of 2025. These convertible debentures were repaid in full in November 2025.

In March 2025 we reached an agreement with the holders of a promissory note related to the purchase of the New Fruit Group under which the holders converted outstanding principal and interest in the amount of €149,971 into 2,200,000 common shares at a deemed conversion price of \$0.10 per share. These shares were issued in April 2025 and were subject to a four month hold period that expired in August 2025.

In March 2025 we reached an agreement with the former shareholders of the New Fruit Group to settle projected future earn-out payments in exchange for a cash payment of \$350,000.

Following the revocation of the failure to file cease trade order ("FCCTO") by the BCSC and completion of an extensive review by the TSX Ventures Exchange, our common shares resumed trading on the TSX Venture Exchange effective at the market open on Wednesday March 12, 2025.

Between July 16, 2024, and January 2, 2025, we were subject to a FFCTO under *Multilateral Instrument 11-103 Failure-To-File Cease Trade Orders In Multiple Jurisdictions* as issued by the British Columbia Securities Commission ("BCSC"). The FFCTO was issued as a result of the delay in the filing of our annual audited financial statements and related management's discussion and analysis for the fiscal year ended December 31, 2023, and related filings, as well as our interim financial statements and related management's

discussion and analysis for the three-month period ended March 31, 2024, and related filings. Under *National Instrument 51-102 Continuous Disclosure Obligations*, the annual filings were required to be made no later than April 29, 2024, and the interim filings were required to be made no later than May 30, 2024. Having made the last outstanding filing in November 2024, we applied to BCSC to have the FFCTO revoked, and this was granted on January 2, 2025.

The BCSC had previously granted, on May 1, 2024, a management cease trade order, which was revoked and replaced by the FFCTO. The delay in filing the annual filings was a result of a change in Company personnel in late 2023 and other unexpected delays.

In June 2024 we sold three of our wholly owned Dutch operating subsidiaries to an independent third-party purchaser ("Purchaser"), as part of our efforts to reposition our business and strengthen our balance sheet. The subsidiaries sold ("Sold Subsidiaries") were: Organto Europe BV, Fresh Organic Choice BV; and BeeOrganic BV. The Purchaser acquired all the outstanding shares in the capital of each of the Sold Subsidiaries for Euro 1 and assumed the Sold Subsidiaries' assets and liabilities. We have continued operations and NFG New Fruit Group GmbH has become our key operating entity focusing on organic, fairtrade and non-GMO bananas, ginger, mangos and other seasonal products.

In June 2024 we announced the resignation of Rients van der Wal from his positions as a director and Co-CEO to pursue another career opportunity.

In 2024 we received \$2,064,085 in proceeds from short-term loans. The loans were unsecured and bore interest at 12% and had a term of one year, at which time principal and interest became payable. During the same period, we repaid \$774,710 of our short-term loans.

In April 2024 we completed a private placement of 5,750,000 common shares at a price of CDN \$0.10 per share for proceeds of CDN \$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 issued 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.

In May 2024, holders of \$97,500 of the December 2024 series A of convertible debentures agreed to redeem their debentures plus \$9,750 of accrued interest and apply \$107,250 against amounts due to one of our European subsidiaries.

FINANCIAL RESULTS

For the purposes of the information presented, the "Company" is defined as the consolidated entity.

Critical Accounting Estimates

The preparation of consolidated financial statements in accordance with IFRS is the responsibility of management and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of sales and expenses during the reporting period. Our 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.

Estimates and assumptions where there is a risk of material adjustments to assets and liabilities in future accounting periods include estimates of useful lives of depreciated and amortized assets, the valuation of inventory which includes estimates with regards to the allocation of supply chain costs and determining the net realizable value, assumptions used in determination of the fair value of share-based payments, the valuation of investment securities, the recoverability and measurement of deferred tax assets, and the allocation of the purchase price associated with the acquisition of a business.

The preparation of consolidated financial statements in accordance with IFRS requires us to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing our financial statements include the assumption that we will continue as a going concern, the classification of expenditures and the classification of financial instruments.

Changes in Accounting Policies and Standards

We did not adopt any new accounting standard changes or amendments in the current year. In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18") which replaces IAS 1, *Presentation of Financial Statements*. This

standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7, *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. We are currently assessing the impact the new standard will have on our financial statements.

Selected Annual Information

The following information is for the years ended December 31, 2025, 2024 and 2023:

	2025 (\$)	2024 (\$)	2023 (\$)
Sales	60,839,226	20,701,898	14,000,213
Gross profit	5,227,156	1,758,899	1,304,717
Adjusted gross profit *	3,525,939	1,780,213	1,173,356
Net loss	(16,822,166)	(1,973,192)	(13,433,739)
Net loss per share from continuing operations	(0.14)	(0.10)	(0.20)
Comprehensive loss	(16,575,489)	(1,330,379)	(13,427,777)
Loss per share	(0.14)	(0.06)	(0.47)
* Adjusted gross profit:			
Gross profit	5,227,156	1,758,899	1,304,717
Realized hedging gain (loss)	(1,701,217)	21,314	(131,361)
Adjusted gross profit	3,525,939	1,780,213	1,173,356
Total assets	16,273,842	6,031,806	6,916,432
Total non-current financial liabilities	165,555	723,993	1,712,944
Cash dividends declared	-	-	-

Review of Financial Results – Current year

In June 2024 we completed the sale of three of our wholly owned Dutch operating subsidiaries and as a result of the sale of the subsidiaries, all revenue and expenses, as well as any gains and losses relating to the operations of the sold subsidiaries have been eliminated from our continuing operations and are instead shown as the single line item, income from discontinued operations in the prior year comparative amounts on the consolidated statement of comprehensive income and loss.

We reported a net loss of \$16,822,166 for the year ended December 31, 2025, compared to a net loss of \$1,973,192 for the prior year. \$13,637,891 of the 2025 loss relates to restructuring and debt settlement transactions that took place in 2025 and \$2,232,067 of the loss relates to realized and unrealized losses on derivatives. These were partially offset by a \$294,410 gain recognized on the early repayment of our convertible debentures. Prior year results include income from discontinued operations of \$1,176,952 related to the three operating subsidiaries that were sold in June 2024.

Sales increased 194% versus the prior year. Gross profit dollars also increased 197% versus the prior year and gross profit as a percentage of sales, before the impact of our currency hedging programs, increased to 8.6% from 8.5% in 2024. Selling, general and admin costs (including non-cash amortization) decreased from 7.4% of sales in the prior year to 4.1% of sales, management fees decreased to 1.1% of sales from 2.8% of sales and labour costs decreased to 2.8% of sales from 5.7% of sales.

Sales for the year ended December 31, 2025 were \$60,839,226 as compared to \$20,701,898 for the prior year, an increase of 194% in Canadian dollars and 169% when adjusted for changes in currency rates year over year. The year over year sales increase was primarily driven by increased volumes of organic and fairtrade bananas and ginger sold to European customers. Sales for 2025 are the largest annual sales in the history of the Company.

We realized a gross profit of \$5,227,156 or 8.6% of sales in the year ended December 31, 2025 as compared to a gross profit of \$1,758,899 or 8.5% during the same period in the prior year, an increase of 197% in gross profit dollars versus the prior year. In order to hedge our exposure to fluctuations in the US dollar vs Euro exchange rate, we have hedging facilities with European financial services companies for forward currency exchange contracts. The difference between the cost to acquire US dollars through the forward currency exchange contracts and the spot market at the time of purchase has been recorded as a realized loss on derivative assets

and liabilities of \$1,701,217 in the year ended December 31, 2025 (2024 – gain of \$21,314). These forward currency exchange contracts were used exclusively for product purchases and any gains or losses realized, while reported separately as realized gains or losses on derivative assets or liabilities, are designed to offset our reported cost of sales. Adjusted gross profit after accounting for gains and losses on forward currency exchange contracts was \$3,525,939 or 5.8% of sales in the year ended December 31, 2025 versus \$1,780,213 or 8.6% of sales in the prior year.

Selling, general and administration expenses were \$2,509,452 or 4.1% of sales in the year ended December 31, 2025 as compared to \$1,533,919 or 7.4% of sales in the prior year. The increase in costs versus the prior year reflects incremental costs to support growth, increased sales commissions as our business grows, costs associated with our corporate rebranding and costs that were previously included in the subsidiaries that were sold in June 2024. Selling, general and administration costs in 2025 includes \$232,901 of non-cash amortization costs (2024 - \$165,200).

Management fees in the year ended December 31, 2025 were \$693,248 compared to \$573,341 for the prior year with the increase due to, beginning in the second quarter, the reinstatement of fees for those officers who had previously waived their fees, as well as increases for those officers who previously lowered their fees. Management fees in 2024 included \$246,600 for performance bonuses accrued and expensed in 2024 but paid in 2025. On a percentage of sales basis, management fees decreased to 1.1% of sales as compared to 2.8% in the prior year.

Labour costs and benefits during the year ended December 31, 2025 were \$1,711,350, an increase versus \$1,173,789 recorded in the prior year. The increase in labour costs is due to the retention of resources required to manage the business that were included previously in the subsidiaries that were sold in June 2024, plus additional operating resources added to support the growth of our business. On a percentage of sales basis, labour costs and benefits decreased to 2.8% from 5.7% of sales in the prior year.

We recognized \$1,101,429 in stock-based compensation in the year ended December 31, 2025 which consists of \$206,198 for restricted share units and \$895,231 for stock options. Stock-based compensation for 2024 totaled \$831,649 and consisted of \$57,760 for restricted share units, \$198,489 for stock options and \$575,400 for bonuses to be paid in common shares. Stock based compensation for restricted share units is based on the market value of our shares on the day the restricted share units are granted. Stock based compensation for stock options is an estimate of the value of the stock options we have issued and is calculated using the Black-Scholes option pricing model which requires 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 does not necessarily provide a reliable single measure of the fair value of our stock options granted and/or vested during the period. Stock based compensation in the year ended December 31, 2025 for stock options was based on fair values of \$0.10 - \$3.70 per share for options granted in 2021 through 2025. Stock based compensation in the year ended December 31, 2025 for restricted share units was based on the market price of our shares when the restricted share units were granted. 8,375,000 stock options and 1,150,000 restricted share units were granted in the year ended December 31, 2025.

Net interest and accretion expense for the year ended December 31, 2025 was \$675,907 as compared to \$1,239,958 for 2024. Interest in both 2025 and 2024 consists primarily of interest on our convertible debentures and short-term loans. Accretion in both 2024 and 2025 consists of accretion on the New Fruit Group earn-out and promissory note liabilities and on our convertible debentures. The reduction in cost is the result of significant debt restructuring that was completed during the second quarter of 2025 and the early repayment of the convertible debentures in November 2025.

We recognized other income of \$29,532 due for the most part to previously expensed deposits of \$28,051 that were refunded in 2025. Additional miscellaneous gains of \$1,481 were recorded in the third quarter of 2025.

In order to hedge our exposure to fluctuations in the US dollar versus Euro exchange rate, during the year we utilized hedging facilities with European financial services companies for forward currency exchange contracts. The difference between the cost to acquire US dollars through the forward currency exchange contracts and the spot market at the time of purchase is recorded as a realized loss of \$1,701,217 on derivative assets and liabilities in the year ended December 31, 2025 versus a realized gain of \$21,314 in 2024. Forward currency exchange contracts are used exclusively for product purchases and are designed to offset our reported cost of sales, though are reported separately as realized gains or losses on derivative assets or liabilities.

The carrying value of the derivative assets and liabilities represent the difference between the cost to acquire US dollars on the spot market and through the forward currency exchange contracts. If exercised at December 31, 2025 these contracts, which total approximately US\$39.2 million, would have required us to purchase US dollars for more than if we were to acquire them on the spot market, resulting in the recognition of a derivative liability of \$494,874 and an unrealized loss of \$530,850 in the year ended December 31, 2025 (2024 – gain of \$357,693).

In the year ended December 31, 2025, we completed several transactions designed to intentionally strengthen our balance sheet and improve our financial position. In doing so we reduced various liabilities by approximately \$16,160,050. While some of these liabilities were settled with cash, the majority were settled by issuing common shares and the net impact of these transactions resulted in a loss on settlement of debt of \$12,867,229, of which \$12,981,252 were non-cash losses which had no impact on our net equity position as these losses had an offsetting benefit recorded as an increase in share capital.

Non-cash losses included: a non-cash loss of \$8,731,542 when we issued common shares to settle \$9,694,405 principal and interest payable on our 8% convertible debentures; a non-cash loss of \$1,966,904 when we issued common shares to settle \$1,966,904 of principal and accrued interest on short-term loans payable; a non-cash gain of \$169,556 when we issued common shares to settle \$508,670 of interest payable on our 10% convertible debentures; a non-cash loss of \$236,968 when we issued common shares to settle \$236,968 of the finder's fees due for the April 2025 private placement; a non-cash loss of \$225,748 when we issued common shares to settle \$214,252 of principal and accrued interest on the New Fruit Group promissory note; a non-cash loss of \$56,394 when we issued common shares to settle \$56,394 of accounts payable; a non-cash loss of \$246,952 when we issued new 10% convertible debentures with a face value of \$2,543,350 to replace the existing \$2,543,350 of 10% convertible debentures; and a non-cash loss of \$1,686,300 on the settlement of \$438,000 of advisory fees. These non-cash losses occurred as a result of the value of the shares issued being greater than the value of the liabilities being settled. Offsetting the non-cash losses were a gain of \$104,319 when we settled the New Fruit Group earn-out liability by paying \$350,000 in cash to the former shareholders of the New Fruit Group and a gain of \$9,704 when we settled certain accounts payable by paying \$37,083 in cash.

To accomplish these transactions, we incurred \$770,662 of regulatory, filing, legal and advisory fee costs in the year ended December 31, 2025, and classified these costs as restructuring costs on the statement of comprehensive loss. \$438,000 of these costs were paid by issuing common shares and \$332,662 were paid in cash.

As a result of the restructuring transactions we made in 2025, we were able to eliminate over \$16 million of liabilities by only paying \$719,745 in cash.

We recorded a gain of \$294,410 in the fourth quarter when we repaid convertible debentures with a face value of \$2,340,850 in November 2025. The cash paid to settle these debentures was allocated to the liability and equity components of the debentures using the same allocation ratio used when the debentures were initially recorded in April 2025. The difference between the liability and the cash paid was recorded as a gain.

Foreign exchange gains and losses may arise from transactions incurred in currencies other than the functional currency of the Company and its subsidiaries. We reported a foreign exchange gain of \$133,580 in the year ended December 31, 2025 as compared to a loss of \$171,396 in 2024. A portion of our cash balance is held in Euros and US dollars, and some of our accounts payable are denominated in currencies other than the currency used to pay these accounts and fluctuations in the exchange rates of these currencies will result in gains or losses.

Selected Quarterly Information

	Q4 2025 (\$)	Q3 2025 (\$)	Q2 2025 (\$)	Q1 2025 (\$)	Q4 2024 (\$)	Q3 2024 (\$)	Q2 2024 (\$)	Q1 2024 (\$)
Sales	14,933,791	15,066,297	17,216,953	13,622,185	6,450,279	5,204,504	4,406,214	4,640,901
Gross profit	1,613,053	1,233,272	1,267,142	1,113,689	585,480	613,362	280,327	279,730
Adjusted gross profit *	1,014,065	671,771	710,173	1,129,930	692,990	613,362	256,602	217,259
Net income (loss)	(7,238,554)	(1,952,391)	(7,355,815)	(275,406)	(1,712,769)	(842,284)	2,076,469	(1,494,608)
Net income (loss) per share	(0.05)	(0.02)	(0.07)	(0.01)	(0.05)	(0.02)	0.06	(0.05)
Comprehensive income (loss)	(7,321,672)	(1,878,652)	(7,194,656)	(180,509)	(1,764,086)	(798,151)	2,732,130	(1,500,271)
Comprehensive income (loss) per share	(0.05)	(0.02)	(0.07)	(0.01)	(0.05)	(0.02)	0.08	(0.05)
* Adjusted gross profit:								
Gross profit	1,613,053	1,233,272	1,267,142	1,113,689	585,480	613,362	280,327	279,730
Realized hedging gain (loss)	(598,988)	(561,501)	(556,969)	16,241	107,510	-	(23,725)	(62,471)
Adjusted gross profit	1,014,065	671,771	710,173	1,129,930	692,990	613,362	256,602	217,259

	Dec 31, 2025 (\$)	Sep 30, 2025 (\$)	Jun 30, 2025 (\$)	Mar 31, 2025 (\$)	Dec 31, 2024 (\$)	Sep 30, 2024 (\$)	Jun 30, 2024 (\$)	Mar 31, 2024 (\$)
Cash (excluding restricted cash)	5,712,283	8,768,863	581,842	862,791	291,174	755,106	119,455	272,428
Total assets	16,273,842	18,977,938	11,080,422	10,211,081	6,031,806	4,713,573	3,516,125	6,448,997
Total non-current financial liabilities	165,555	1,428,738	1,424,730	770,359	723,993	657,634	631,319	1,196,397

Review of Financial Results – Fourth Quarter

	Three months ended December 31,	
	2025 (\$)	2024 (\$)
Sales	14,933,791	6,450,279
Cost of sales	(13,320,738)	(5,864,799)
Gross profit	1,613,053	585,480
Selling, general and administrative expenses	(751,619)	(533,087)
Management fees	(208,107)	(319,722)
Labour costs and benefits	(402,856)	(390,082)
Stock-based compensation	(469,821)	(607,137)
	(219,350)	(1,264,548)
Interest and accretion, net	(60,245)	(323,916)
Other income (losses)	7,446	(248,441)
Realized gain (loss) on derivative assets/liabilities	(598,988)	107,510
Unrealized gain (loss) on revaluation of derivative assets/liabilities	699,895	82,986
Loss on settlement of debt	(7,389,412)	-
Gain on prepayment of convertible debentures	294,410	-
Foreign exchange loss	(26,810)	(131,133)
Loss from continuing operations before tax	(7,293,054)	(1,777,542)
Recovery of deferred income tax	54,500	109,000
Loss from continuing operations	(7,238,554)	(1,668,542)
Loss from discontinued operations	-	(44,227)
Net loss	(7,238,554)	(1,712,769)

In June 2024 we completed the sale of three of our wholly owned Dutch operating subsidiaries and as a result of the sale of the subsidiaries, all revenue and expenses, as well as any gains and losses relating to the operations of the sold subsidiaries have been eliminated from our continuing operations and are instead shown as the single line item, income from discontinued operations in the prior year comparative amounts on the consolidated statement of comprehensive income and loss.

We reported a net loss of \$7,238,554 during the fourth quarter of 2025, compared to a net loss of \$1,712,769 during the same quarter in the prior year. We revalued the shares issued in July to settle the 8% convertible debentures to include the \$7,389,900 difference between the fair value of the consideration the debenture holder received and the fair value of the consideration the debenture holder would have received under the original debenture terms. We recorded a realized loss of \$598,988 on derivative liabilities which was offset by an unrealized gain of \$699,895 on the revaluation of our undrawn currency hedging contracts at quarter-end for a net gain of \$100,907 on derivatives for the quarter. We also recorded a gain of \$294,410 on our early repayment of our 10% convertible debentures and a \$54,500 recovery of deferred income taxes.

Sales increased 132% versus the fourth quarter of the prior year. Gross profit dollars also increased 176% versus the prior year and gross profit as a percentage of sales, before the impact of our currency hedging programs, increased to 10.8% from 9.1% in the fourth quarter of 2024. Selling, general and admin costs (including non-cash amortization) decreased from 8.3% of sales in the prior year to 4.9% of sales, management fees decreased to 1.4% of sales from 5.0% of sales and labour costs decreased to 2.7% of sales from 6.0% of sales.

Sales for the three months ended December 31, 2025 were \$14,933,791 as compared to \$6,450,279 during the same period in the prior year, an increase of 132% in Canadian dollars and 114% when adjusted for changes in currency rates year over year. The year over year sales increase was primarily driven by increased volumes of organic and fairtrade bananas and ginger sold to European customers. Fourth quarter 2025 sales represent the largest fourth quarter sales in the Company's history.

We realized a gross profit of \$1,613,053 or 10.8% of sales in the fourth quarter of 2025 as compared to a gross profit of \$585,480 or 9.1% during the same quarter of the prior year, an increase of 176% versus the prior year. The higher gross profit as a percentage of sales in the fourth quarter was driven by customer mix as lower margin customers represented a smaller share of sales than in previous quarters. In order to hedge our exposure to fluctuations in the US dollar vs Euro exchange rate, we have hedging facilities with European financial services companies for forward currency exchange contracts. The difference between the cost to acquire US dollars through the forward currency exchange contracts and the spot market at the time of purchase has been recorded as a realized loss on derivative assets and liabilities of \$598,988 in the fourth quarter of 2025 (2024 – gain of \$107,510). These forward currency exchange contracts were used exclusively for product purchases and any gains or losses realized, and while reported separately as realized gains or losses on derivative assets or liabilities, are designed to offset our reported cost of sales. Adjusted gross profit after accounting for gains and losses on forward currency exchange contracts was \$1,014,065 or 6.8% of sales in the fourth quarter of 2025.

Selling, general and administration expenses were \$751,619 or 5.0% of sales this quarter as compared to \$533,087 or 8.3% of sales in the same quarter of the prior year. The increase in costs versus the prior year reflects incremental costs to support growth, increased sales commissions as our business grows, plus costs associated with our corporate rebranding. Selling, general and administration costs in the quarter include \$71,857 of non-cash amortization costs.

Management fees in the current quarter were \$208,107 compared to \$319,722 recorded in the same quarter of the prior year. Management fees in the fourth quarter of 2024 included \$246,600 for performance bonuses accrued and expensed in 2024 but paid in 2025. The increase in the fourth quarter of 2025 was due to the reinstatement of fees for those officers who had previously waived their fees, as well as increases for those officers who previously lowered their fees. On a percentage of sales basis, management fees decreased to 1.4% of sales as compared to 5.0% in the same quarter of the prior year.

Labour costs and benefits during the fourth quarter were \$402,856, essentially the same on a dollar spent basis as the \$390,082 recorded in the same quarter of the prior year. On a percentage of sales basis, labour costs and benefits decreased from 6.0% to 2.7% of sales versus the same quarter of the prior year.

We recognized \$469,821 in stock-based compensation in the fourth quarter of 2025 which consists of \$99,948 for restricted share units and \$369,873 for stock options. Stock-based compensation for the fourth quarter of 2024 totaled \$607,137 and consisted of \$6,718 for restricted share units, \$25,019 for stock options and \$575,400 for bonuses to be paid in common shares. Stock based compensation for restricted share units is based on the market value of our shares on the day the restricted share units are granted. Stock based compensation for stock options is an estimate of the value of the stock options we have issued and is calculated using the Black-Scholes option pricing model which requires 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 does not necessarily provide a reliable single measure of the fair value of our stock options granted and/or vested during the period. Stock based compensation in the fourth quarter of 2025 for stock options was based on fair values of \$0.10 - \$3.70 per share for options granted in 2021 through 2025. Stock based compensation in the fourth quarter of 2025 for restricted share units was based on the market price of our shares when the restricted share units were granted. 400,000 stock options were granted, 50,000 stock options were exercised and 100,000 stock options expired in the fourth quarter of 2025. 90,000 restricted share units were converted into common shares and 40,000 restricted share units expired without being converted in the fourth quarter of 2025.

Net interest and accretion expense for the fourth quarter of 2025 was \$60,245 as compared to \$323,916 for the fourth quarter of 2024. Interest in 2025 consists of interest on our factored accounts receivable as well as interest on our convertible debentures and short-term loans prior to the repayment of the convertible debentures in November 2025. Interest in 2024 consists of interest on our convertible debentures and short-term loans. Accretion in both 2024 and 2025 consists of accretion on our convertible debentures and 2024 also includes accretion of the New Fruit Group earn-out and promissory note liabilities. The reduction in cost is the result of the significant debt restructuring that was completed during the second quarter of 2025 and the repayment of the convertible debentures in November 2025.

In order to hedge our exposure to fluctuations in the US dollar versus Euro exchange rate, we have hedging facilities with European financial services companies for forward currency exchange contracts. The difference between the cost to acquire US dollars through the forward currency exchange contracts and the spot market at the time of purchase is recorded as a realized loss of \$598,988 on derivative assets and liabilities in the fourth quarter of 2025 versus a realized gain of \$107,510 in the fourth quarter of 2024. Forward currency exchange contracts are used exclusively for product purchases and are designed to offset our reported cost of sales, though are reported separately as realized gains or losses on derivative assets or liabilities.

The carrying value of the derivative assets and liabilities represent the difference between the cost to acquire US dollars on the spot market and through the forward currency exchange contracts. If exercised at December 31, 2025 these contracts, which total approximately US\$39.2 million, would have required us to purchase US dollars for more than if we were to acquire them on the spot market, resulting in the recognition of a derivative liability of \$494,874 and an unrealized gain of \$699,895 in the fourth quarter of 2025. We reported a derivative asset of \$82,875 on December 31, 2024, and an unrealized gain of \$82,986 in the fourth quarter of 2024.

In the fourth quarter we revalued the shares issued in July 2025 to settle the 8% convertible debentures to include the difference between the fair value of the consideration the debenture holder received and the fair value of the consideration the debenture holder would have received under the original debenture terms and recorded a non-cash loss of \$7,389,900. This loss was partially offset by a \$488 gain we realized on the settlement of accounts payable.

We recorded a gain of \$294,410 in the fourth quarter when we repaid convertible debentures with a face value of \$2,340,850 in November 2025. The cash paid to settle these debentures was allocated to the liability and equity components of the debentures using the same allocation ratio used when the debentures were initially recorded in April 2025. The difference between the liability and the cash paid was recorded as a gain.

Other income in the fourth quarter of 2025 consisted of the receipt of previously expensed deposits that were returned in the quarter. Other losses in the fourth quarter of 2024 consisted of the increase in fair value of the earn-out liability and losses on the settlements of various accounts payable. There was no gain or loss in 2025 stemming from changes in the fair value of the earn-out liability as the earn-out was settled in the second quarter of 2025, instead a loss on the settlement of the earn-out was included in the loss of settlement of debt reported in the second quarter of 2025.

Foreign exchange gains and losses may arise from transactions incurred in currencies other than the functional currency of the Company and its subsidiaries. We reported a foreign exchange loss of \$26,810 this quarter as compared to a loss of \$131,133 during the same quarter last year. A portion of our cash balance is held in Euros and US dollars, and some of our accounts payable are denominated in currencies other than the currency used to pay these accounts and fluctuations in the exchange rates of these currencies will result in gains or losses.

Liquidity and Capital Resources

At December 31, 2025, we had cash of \$5,712,283 and working capital of \$7,560,010 as compared to cash of \$291,174 and a working capital deficiency of \$14,584,830 as at December 31, 2024. At December 31, 2025, we also had restricted cash totalling \$1,069,247

(2024 - \$66,425) of which \$489,971 (2024 - \$66,425) is on deposit with one of the counterparties to our forward exchange contracts to cover margin requirements and \$579,276 is on deposit as collateral for our factored accounts receivable. The funds on deposit to cover the margin requirements of our foreign exchange contracts was returned to us in early 2026.

In April 2026 one of our European subsidiaries expanded its flexible financial funding facility with Netherlands based Cooperatieve Rabobank UA. The facility was increased from €4 million to €7 million, with utilization based on a percentage of qualified accounts receivable.

In March 2026 we completed an early warrant exercise incentive program and issued 7,760,000 common shares for gross proceeds of \$5,820,000 from the exercise of 7,760,000 previously issued and outstanding common share purchase warrants. This program applied to the 8,000,000 warrants issued in September 2025 as part of a non-brokered private placement of units and holders who exercised their warrants received one new common share purchase warrant for every three warrants they exercised for a total of 2,586,653 new warrants. These new warrants entitle the holders to acquire one additional common share an exercise price of \$1.00 per share until March 2027.

In December 2025 we issued 1,475,385 common shares to settle the bonuses accrued and expensed in 2024.

In November 2025 we repaid all of our 10% convertible debentures with a total face value of \$2,340,850 as well as \$206,829 of accrued interest.

In November 2025, one of our European subsidiaries 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 be charged. Our previous hedging facility with a European financial services company has been wound down now that the remaining forward currency exchange contracts of US\$3.2 million at December 31, 2025 have been drawn down. The new foreign exchange facility will provide foreign exchange hedging at better rates and much reduced margin requirements.

In September 2025 we completed a private placement of 16,000,000 units at a price of \$0.50 per unit for gross 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 from the closing date. We have the right to accelerate the expiry date of the warrants to a date that is 30 days following dissemination of a news release announcing such acceleration if, at any time, after the closing date, the closing price of our common shares equals or exceeds \$1.00 for a period of ten consecutive trading days on the TSX Venture Exchange. A finder's fee of \$600,000 was paid in cash and other cash settled share issue costs totalled \$61,382. Finders were also granted 1,200,000 warrants entitling them to purchase common shares at a price of \$0.50 for a period of eighteen months. In addition to the usual four month hold period that expiring in January 2026, 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. The proceeds are expected to be used for working capital, the repayment of short-term debt and to fund continued growth opportunities. The actual use of the proceeds to April 28, 2026 was:

	(\$)
Issue costs	661,382
Interest on convertible debentures	206,829
Repay convertible debentures	2,340,850
	<u>3,209,061</u>

The remainder of the proceeds are in our cash balance and will be used in our operations and to fund investments in business development, personnel and other related costs to support the growth of our business.

In September 2025 we repaid \$26,419 of our Government of Canada CEBA loan.

In June 2025 we 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 is payable in cash to finders and other share issue costs totalled \$17,195. The common shares were subject to a four month hold period that expired in October 2025. The

proceeds were received in July 2025 and were used for working capital. In July 2025 we received proceeds of \$350,000 in advance of the exercise of 1,000,000 warrants. 1,000,000 shares were issued in October for the exercise of these warrants.

During 2024 and the first quarter of 2025, we received \$4,420,840 in advance of a private placement. In April 2025 we completed a private placement of 53,099,910 common shares at a price of \$0.10 per share for proceeds of \$5,309,991 which included the share subscriptions of \$4,420,840 received to March 31, 2025. 2,369,680 common shares were also issued to settle finder's fees of \$236,968 and finder's fees of \$18,600 were paid in cash. The common shares were subject to a four month hold period that expired in August 2025. The proceeds were used for working capital.

During the year ended December 31, 2023, we 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. These loans, together with accrued interest, were repaid by issuing 19,669,050 common shares in April 2025. The common shares were subject to a four month hold period that expired in August 2025.

In April 2025 we settled \$56,394 of accounts payable by issuing 563,940 common shares. The common shares were subject to a four month hold period that expired in August 2025.

In March 2025 we were approached by an arms-length private corporation who had purchased over 67% of the \$8,050,000 November 2026 series of convertible debentures. In June 2025 an agreement was reached, and 40.25 million shares were issued to settle \$9,694,405 of principal and accrued interest. These shares are subject to a contractual restriction on transfer whereby they will be 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.

In May 2024, holders of \$97,500 of the December 2024 series A of convertible debentures agreed to redeem their debentures plus \$9,750 of accrued interest and apply \$107,250 against amounts they collectively owed our former European subsidiary.

In April 2025 we reached an agreement with the holders of \$2,543,350 of the December 2024 series A, December 2024 series B, February 2025 and March 2025 series of convertible debentures under which the holders received 1,695,568 common shares as full payment of the interest due but not paid on the first and second anniversaries of the debentures of \$508,670. The common shares were subject to a four month hold period that expired in August 2025. The maturity dates of the convertible debentures have been extended by one year in respect of 50% of the principal amount and by two years in respect of the remaining 50% of the principal amount and the conversion and acceleration prices have been changed from \$3.00 and \$4.50 to \$0.60 and \$0.90 respectively. The interest and principal amounts on the remaining \$48,000 of December 2024 series A and March 2025 series of convertible debentures were repaid in cash in the second quarter of 2025.

In March 2025 we reached an agreement with the holders of a promissory note related to the purchase of the New Fruit Group under which the holders converted outstanding principal and interest in the amount of €149,971 into 2,200,000 common shares at a deemed conversion price of \$0.10 per share. These shares were issued in April 2025 and were subject to a four month hold period that expired in August 2025.

In March 2025 we reached an agreement with the former shareholders of the New Fruit Group to settle projected future earn-out payments in exchange for a cash payment of \$350,000.

In October 2024 our European subsidiary began leasing office space. The lease was renewed in 2025 for another year and has a term of 1 year and a monthly cost of €3,333. In May 2025 our European subsidiary began leasing staff accommodations. This lease has a term of 3 years and a monthly cost of €2,250.

As part of the consideration paid to acquire 100% of NFG, we issued 225,000 common shares in May 2023. These common shares are subject to escrow provisions and become freely tradable in equal amounts over five years.

In April 2024 we completed a private placement of 5,750,000 common shares at a price of CDN \$0.10 per share for proceeds of CDN \$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.

We are reliant upon equity and/or debt financings to fund operations until such time as revenues and gross profit are sufficient to sustain operations.

Outlook

2024 saw us undertake a significant restructuring and realignment in order to position our business for sustained growth and stability, and a clearer path to profitability. We have made excellent progress with these goals by streamlining our product portfolio, refocusing our go-to-market strategies and reducing costs. In the first quarter of 2025 we saw continued strong positive momentum and our first ever quarter with positive EBITDA (earnings before interest, taxes, depreciation and amortization).

In the second quarter of 2025 we completed two private placements and several shares-for-debt transactions, strengthening our balance sheet by reducing our debt by \$10,928,040 and raising \$4,585,874 in cash. Sales increased in the second quarter, however difficulties in sourcing from our preferred suppliers and increased freight costs resulted in lower gross profit than we expected. As a result of these lower margins, we did not achieve positive EBITDA in the quarter despite increased sales volumes. Actions are in place to address these gross profit challenges, and we believe we will realize improved margins as we move forward.

In the third quarter of 2025 we completed a private placement for net proceeds of \$7.3 million and saw several debenture holders convert \$202,500 face value of debentures into 337,497 shares. Sales in the third quarter increased approx. 190% and were a record third quarter for the Company, although lower than the second quarter. This reduction versus the previous quarter was expected given the regular reduction of demand for bananas in the summer months in Europe. Cash overhead costs increased in the third quarter as additional resources were added to support the growth of our business, we incurred increased sales commissions and we incurred costs to execute our corporate rebranding. As a result of lower than planned due gross profit due to customer mix and currency challenges combined with an increase in overhead costs, we realized negative EBITDA in the third quarter.

In the fourth quarter of 2025 we repaid \$2,340,850 of debentures in November 2025, and the planned repayment of the remainder of our Government of Canada CEBA loan in 2026, will result in lower interest costs going forward. We also began our efforts to secure sales agreements and expand our logistics systems for the 2026 banana season. We have added eight new retail customers to our existing customer base and several of these customers rank among the largest retailers in their respective markets, underscoring growing confidence in our ability to reliably supply high-quality organic produce at scale. These new commercial relationships will further strengthen our European platform and international footprint by extending our reach into three additional countries -- Switzerland, Ukraine and Spain. We have broadened our supply partner network by securing six new growing partners across key sourcing regions. These additions will enhance supply continuity for existing customers, support anticipated volume growth from new retail programs and further strengthen our ability to deliver year-round organic produce with the quality, traceability and reliability required by large-scale retailers. We have contracted with four new sea freight carriers which will enhance capacity, routing flexibility and scheduling reliability. We have added two new ports of origin to support our expanded sourcing and three new destination ports to strengthen our access to core European markets and improve downstream logistics performance.

We are optimistic for 2026 as our sales continue to grow on our streamlined and simplified cost base and expect 2026 to be a record year for sales for the Company. We are addressing the issues which affected our lower margins in the second and third quarters of 2025 and expect to return to positive EBITDA in the coming quarters. In hand with continued growth in fresh healthy and organic fruit and vegetable products, we also intend to pursue growth in different geographic markets and also in the non-fresh and value-added ingredients and consumer products sectors.

Financial instruments

The fair value of our financial instruments, financial statement classification and associated risks are presented in the following table.

Financial instrument	Basis of measurement	Associated risks	Fair value at
			December 31, 2025 (\$)
Cash	Fair value through profit or loss	Credit, currency and concentration	5,712,284
Restricted cash	Fair value through profit or loss	Credit, currency and concentration	1,069,247
Accounts receivable	Amortized cost	Credit, currency and concentration	4,425,523
Accounts payable	Amortized cost	Currency	(4,307,583)
Factored accounts receivable	Amortized cost	Credit, currency and concentration	(1,791,838)
Short-term loans	Amortized cost	Currency	(33,805)
Derivative liability	Fair value through profit or loss	Currency	(494,874)
			4,578,954

The fair value of our financial instruments including cash, restricted cash, accounts receivable, accounts payable and short-term loans approximates their carrying value due to the immediate or short-term maturity of these financial instruments. The fair value of our derivative liability represents the difference between the cost to acquire US dollars on the spot market and through the forward currency exchange contracts. The fair value of our convertible debentures (net of issue costs) is based on the effective rate method with the residual balance allocated to the conversion component in equity.

IFRS 7, *Financial Instruments: Disclosure* establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Our financial instruments are exposed to certain financial risks. The risk exposures and the impact on our financial instruments at December 31, 2025 are summarized below. The Board of Directors reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss due to a customer or third party failing to discharge their obligation due to the Company. The Company's primary exposure to credit risk is in its cash accounts and accounts receivable. Credit risk associated with accounts receivable is considered moderate.

The credit risk exposure on cash is limited to their carrying amounts at the date of the statement of financial position. Cash is held as cash deposits with creditworthy chartered banks in Canada, Europe and Mexico.

(b) Liquidity risk

Liquidity risk arises from our general and capital financing needs. We manage liquidity risk by attempting to maintain sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. At December 31, 2025, we had working capital of \$7,560,010 (December 31, 2024 – working capital deficiency of \$14,584,830). Liquidity risk is assessed as high.

To date, we have been able to address any shortfalls in meeting our short-term financial demands by turning to equity and debt markets to raise the funding necessary to continue operations. We will have to continue to raise funds on these markets until we are able to realize consistent cash flows from operations.

(c) Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the price of one currency in relation to another.

Our derivative assets and liabilities are made up of forward currency contracts which allow us to purchase US dollars at specified exchange rates rather than having to purchase them on the spot market. If the rates specified in these contracts result in our being able to purchase US dollars for less than if they were to be purchased on the spot market, a derivative asset is recognized as the difference. If the rates require us to spend more than if the US dollars were to be purchased on the spot market, a derivative liability is recognized as the difference.

(d) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

Our investment securities were exposed to other price risk as these shares traded on a public exchange. As at December 31, 2025 we do not hold any investment securities.

Sensitivity Analysis

A 1% change in interest rates does not have a material effect on our profit or loss and equity.

As our functional currency is the Canadian Dollar, where foreign currency transactions such as the US Dollar, European Euro, Mexican Peso and Guatemalan Quetzal are converted into Canadian Dollars, changes in exchange rates between these currencies may have an effect on our profit or loss and equity. A +/- 10% change in the exchange rate between those currencies and the Canadian Dollar can affect net income by approximately \$21,000.

Capital Management

When managing capital our objective is to ensure an optimal capital structure is maintained to reduce overall cost of capital and allowing flexibility to respond to changes in working capital requirements.

In the management of capital, we include the components of shareholders' equity as well as cash and receivables.

We manage the capital structure and make adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, we may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of our capital requirements, we monitor working capital and cash flows regularly. There have been no changes to our capital management policies and procedures since the end of the most recent fiscal year.

Related Party Transactions

We incur fees and expenses with related parties in the ordinary course of business, on terms that are similar to those of transactions with unrelated parties.

Related party	Nature of transactions
12538938 Canada Inc. ⁽¹⁾	Consulting fees
Brandal B.V. ⁽²⁾	Management fees
Bromley Consulting & Advisory Inc. ⁽³⁾	Management fees
Everrest B.V. ⁽⁴⁾	Marketing services
Share! Marketing & Management Services BV ⁽²⁾	Administrative services, office lease payments
Rokho Pte Ltd. ⁽⁵⁾	Management fees
TLG Growth Capital Corp. ⁽⁶⁾	Management fees
ZMS B.V. ⁽²⁾	Product purchases

⁽¹⁾ A company controlled by Peter Damouni, Director

⁽²⁾ A company controlled by Rients van der Wal, former Co-Chief Executive Officer & CEO Organto Europe BV, no longer a related party as of June 2024.

⁽³⁾ A company controlled by Steve Bromley, Chief Executive Officer & President

⁽⁴⁾ A company controlled by Joost Verrest, former Director, no longer a related party as of March 2025.

⁽⁵⁾ A company controlled by Bob Kouw, Chief Operating Officer, Global Operations

⁽⁶⁾ A company controlled by John Rathwell, Senior Vice President, Investor Relations and Corporate Development

The following related party transactions were made in the normal course of operations:

(a) Directors and key management personnel compensation:

	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
	(\$)	(\$)	(\$)	(\$)
Salaries, consulting and management fees				
- continuing operations	208,107	73,122	693,248	290,045
- discontinued operations	-	-	-	118,893
Directors' fees	14,000	-	36,667	-
Bonus				
- continuing operations	-	246,600	-	246,600
Stock based compensation – share bonus				
- continuing operations	-	575,400	-	575,400
Stock based compensation				
- continuing operations	278,874	29,192	699,103	201,359
	500,981	924,314	1,429,018	1,432,297

Bonuses to members of the senior management team were accrued in 2024 and were 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 December 31, 2024. With the milestones met, the cash portion was paid in October 2025, and 1,475,385 common shares were issued in December 2025 to settle the bonuses. The amount payable in cash is recorded in accounts payable and accrued liabilities and the amount payable in shares was recorded in shares to be issued at December 31, 2024.

Key management personnel were not paid post-employment benefits, termination benefits or other long-term benefits during the periods ended December 31, 2025, and 2024.

(b) Transactions with related parties:

	Three months ended December 31		Year ended December 31	
	2025	2024	2025	2024
	(\$)	(\$)	(\$)	(\$)
Administrative services				
- discontinued operations	-	-	-	113,503
Marketing services				
- continuing operations	22,500	-	67,500	-
Office lease payments				
- discontinued operations	-	-	-	77,214

(c) Outstanding balances payable (receivable):

	December 31, 2025 (\$)	December 31, 2024 (\$)
Salaries, consulting and management fees	234,590	337,076
Directors' fees	36,667	-
Marketing services	16,950	-
Short-term loans	-	33,000
Interest on short term loans and convertible debentures	-	74,632
Expense reimbursements	66,285	41,739
Convertible debentures	-	351,950

Commitments

At December 31, 2025, we 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	120,000	-	-	120,000
Labour and benefits	421,741	-	-	421,741
Property lease	98,477	57,928	-	156,405
Marketing services	222,500	-	-	222,500
Forward currency exchange contracts	53,693,788	-	-	53,693,788
	54,556,506	57,928	-	54,614,434

At December 31, 2025 we had hedging facilities with European financial services companies in order to hedge our exposure to fluctuations in the US dollar vs Euro exchange rate. The facilities are for forward exchange contracts for US\$39.2 million at December 31, 2025.

In October 2024 our European subsidiary began leasing office facilities and this lease was extended in 2025. The lease has a term of 1 year with a monthly cost of €3,333. In May 2025 our European subsidiary began leasing staff accommodations. This lease has a term of 3 years and a monthly cost of €2,250.

OFF-BALANCE SHEET ARRANGEMENTS

During the year ended December 31, 2025 and up to the date of this report, we had no off-balance sheet transactions.

PROPOSED TRANSACTIONS

While we are continually reviewing potential opportunities that could enhance shareholder value, there are no proposed transactions that would affect our financial condition, results of operations and cash flows to report at this time.

RISKS AND UNCERTAINTIES

Risk factors

Our business, operations and financial condition are subject to various risks and uncertainties. Prior to making an investment decision, investors should consider the risks and uncertainties set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business engaged in the global procurement, marketing and distribution of fresh organic fruit and vegetable products. We believe the risks set out below to be the most significant to investors, but do not represent all of the risks associated with an investment in securities of our Company. Consequently, you should not consider the

following to be a complete discussion of all possible risks or uncertainties applicable to our business. If any of the identified risks materialize or other additional risks and uncertainties which we are currently unaware materialize, our assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. Any such adverse effect could cause the trading price of our common shares to decline, and our shareholders may lose all or part of their investment. These risk factors should be read in conjunction with other information in this report and in other documents that we file from time to time.

Risks Related to Our Business

We have a history of operating losses and may incur further losses until our operating platform achieves scale.

We commenced business in November 2015 and since that time we have built out our operating platform and generated approximately \$172.0 million in revenues and losses of approximately \$77.6 million. We are subject to many of the risks common to early-stage enterprises, including costs associated with building out an operating platform prior to volumes and margins coming to scale, undercapitalization, cash shortages, and limitations with respect to personnel, financial, and other resources. There is no assurance that we will be successful in establishing a long-term customer base, that consumers will continue to purchase our products, that our branded product launches will be successful, or that we will be able to generate sales and margins sufficient to cover our operating costs. Our ability to achieve a return on shareholders' investment and the likelihood of its success must be considered in light of the company's stage of operations and history of operating losses.

There is risk in our ability to continue as a going concern due to losses incurred as we have built our operating platform combined with risk in our working capital position and our accumulated deficit.

Our independent auditors have added an explanatory paragraph to their audit opinion issued in connection with our financial statements for the year ended December 31, 2025, with respect to our ability to continue as a going concern. As discussed in Note 1 to our financial statements for our most recently completed year, we have generated operating losses since inception and additional financing will be required to realize our long-term plans, which together raises doubt about our ability to continue as a going concern.

We may not be able to secure financing required to meet future capital needs to continue operations.

We will require additional capital to fulfill our contractual obligations and continue development of our product offerings and operating platform, through either equity or debt financing. Due to business specific or general economic conditions, we may be unable to secure debt or equity financing on terms acceptable to us, or at all, at the time when we need such funding. Our inability to raise additional funds on a timely basis would make it difficult to achieve our business objectives and would have a negative impact on our business, financial condition and results of operations.

We have a history of negative cash flows from operating activities and may need to raise additional financing to fund operations.

We have a history of negative cash flows from operating activities. To the extent that we have negative cash flow in future periods, we may need to allocate a portion of proceeds from future financings to fund such negative cash flow. There can be no assurance that additional capital or other types of financing will be available when needed, or that these financings will be on terms that are acceptable to us, or at all.

Additional financing activities may dilute common shareholders or place restrictions on our operations.

If we raise funds by issuing additional equity or convertible debt securities, or settle certain debt obligations with equity, the ownership percentages of existing stockholders would be reduced, and the securities that we issue may have rights, preferences or privileges senior to those of the holders of our common stock or may be issued at a discount to the market price of our common stock which would result in dilution to our existing stockholders. If we raise additional funds by issuing debt, we may be subject to debt covenants, which could place limitations on our operations including our ability to declare and pay dividends.

We operate in a competitive global food industry and the actions of competitors could impact revenues and profitability.

The agricultural produce industry is intensely competitive in all of its phases. We compete with other companies, some of whom have greater financial resources, larger facilities, more capacity, higher staffing levels, greater economies of scale, pricing advantages, longer operating histories and more established market presences. We may have little or no control over some or all of these competitive factors. If we are unable to effectively respond to these competitive factors, or if the competition in our product markets results in price reductions or decreased demand for our products, our business, results of operations and financial condition may be materially impacted.

We are currently focused on the procurement, packing, distribution and marketing of private label, bulk distributed and branded fresh organic fruit and vegetable products grown in strategic geographies by third parties that provide us with year-round supply capabilities. As a result of changing consumer preferences and awareness, we believe there is solid demand for organic produce over conventional produce, which we believe will be positive for us. Even so, we expect to face competition from new entrants to the organic produce market wanting to participate in this category. Our ability to remain competitive will depend to a great extent on our ability to grow and diversify our supplier base with quality partners, grow our customer base, build our brands, maintain competitive pricing levels, attract strategic third-party growers to cost-effectively supply our operations, manage transportation and delivery logistics, manage currency risks and effectively market our products to our customers. There can be no assurance that we will have sufficient resources to compete successfully with our current or future competitors in these areas, which could have a material adverse effect on our business plan and results of operations.

We must attract and retain key personnel and professionals to achieve our business objectives.

Our success will be largely dependent upon the performance of our management, key employees and professionals. We must compete with other companies both within and outside the food industry to recruit and retain competent employees and contract resources. If we cannot attract and maintain qualified resources to meet our business needs, this could have a material adverse effect on our business. In addition, we do not have key man insurance policies and therefore there is a risk that the death or departure of any existing member of management or any key employee or professional could also have a material adverse effect on us.

Our customers generally are not obligated to continue purchasing products from us.

Many of our customers buy from us under purchase orders that are based on annual volumes and pricing agreements that are agreed upon, but we generally do not have long-term guaranteed agreements from these customers for the purchase of our products. We cannot provide assurance that our customers will maintain or increase their sales volumes or orders for the products supplied by us or that we will be able to maintain or add to our existing customer base. Decreases in our customers' sales volumes or orders for products supplied by us may have a material adverse effect on our business, financial condition or results of operations.

Consumer food preferences are difficult to predict and may change.

Our success depends, in part, on our ability and our customers' ability to offer products that anticipate the tastes and dietary habits of consumers and appeal to their preferences on a timely and affordable basis. A significant shift in consumer demand away from our products or a failure to maintain our current market position, could reduce our sales and harm our business. Consumer trends change based on a number of factors, including desired nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is a growing focus among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, which could result in a decrease in the demand for food products that we import from remote growing regions and processing locations. Further, failures by us or our competitors to deliver quality products could erode consumer trust in the organic certification of foods. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on our business, financial condition or results of operations.

If we do not manage our supply chain effectively, our operating results may be adversely affected.

Our supply chain is complex and subject to a number of risks. We do not directly own growing and processing operations but instead rely on a number of strategic third-party suppliers for the growing, processing, packaging and delivery of certain of our products. Our inability to effectively manage our supply chain could cause our operating costs to rise and our margins to fall. In addition, potential adverse weather conditions and natural disasters add another layer of risk to our supply chain. We must continuously monitor our inventory and product mix against forecasted demand or risk having inadequate supplies to meet customer demand as well as having too much inventory that could reach its expiration date. If we are unable to manage our supply chain efficiently and ensure that our products are available to meet customer demand, our operating costs could increase, and our margins could fall.

Adverse weather conditions and/or natural disasters could impact costs and availability of our products.

Raw materials for our products are vulnerable to adverse weather conditions and natural disasters, including windstorms, hurricanes, earthquakes, floods, droughts, fires, and temperature and precipitation extremes, some of which are common but difficult to predict, as well as crop disease and infestation. Severe weather conditions may occur with higher frequency or may be less predictable in the future due to the effects of climate change. Unfavorable growing conditions could reduce both crop size and quality. In extreme cases, entire harvests may be lost in some geographic areas. Adverse weather conditions or natural disasters may adversely affect our supply of one or more of our products or prevent or impair our ability to ship products as planned. These factors can increase product acquisition costs, decrease our sales volumes and revenues, and lead to additional charges to earnings, which may have a material adverse effect on our business, financial condition and results of operations.

We are subject to transportation risks.

An extended interruption in our ability to ship our products or disruption in the distribution of our products could have a material adverse effect on our business, financial condition and results of operations. If we were to experience a disruption in transportation services, we would attempt to transport our products by alternative means (from both supply sources and to our customers. In doing so, we cannot be sure that we would be able to do so or be successful in doing so in a timely and cost-effective manner.

Volatility in the prices of raw materials, packaging and freight, fuel and energy could increase our cost of sales and reduce gross profit.

Raw materials represent a significant portion of our cost of sales. Our cost to purchase raw materials can fluctuate depending on many factors including weather patterns, economic and political conditions, inflation and pricing volatility. In addition, we must compete at times for certain raw materials and inputs with competitors having greater resources than we have. If our input costs increase due to any of the above factors, we may not be able to pass along the increased costs to our customers, which could have a material impact on our business, financial condition and results of operations.

We are subject to the risk of product contamination and product liability claims which could adversely affect our results and financial condition.

The sales of our products involve the risk of injury to consumers. Such injuries may result from tampering by unauthorized personnel, product contamination or spoilage, including the presence of foreign objects, substances, chemicals, or residues introduced during the growing, packing, storage, handling or transportation phases. We cannot be sure that consumption of our products will not cause a health-related illness in the future or that we will not be subject to claims or lawsuits relating to such matters. Even if a product liability claim is unsuccessful, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our brand image. In addition, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against third parties, including our customers and suppliers. However, we cannot be sure that we will not incur claims or liabilities for which we are not insured or that exceed that amount of our insurance coverage, resulting in significant cash outlays that would materially and adversely affect our results and financial condition.

Loss of a key strategic grower could materially reduce revenues and earnings.

Our relationships with our growers are critical to the success of our business and results of operations. The loss, decrease or cancellation of business with any of our large strategic grower partners could reduce supply and/or lead to increased costs of supply from alternative sources, and as a result could materially and adversely affect our business, financial condition and results of operations.

Our international operations expose us to additional risks inherent with the countries where we are doing business.

We operate in various foreign jurisdictions around the world. These international operations expose us to risks inherent in doing business abroad including exposure to local economic conditions, a change in laws and regulations, foreign exchange rate fluctuations and currency controls, investment restrictions or requirements, the imposition of burdensome tariffs and quotas, export and import restrictions, disruptions in our suppliers' and our customers' ability to access capital and credit markets, compliance with anti-corruption and anti-bribery laws, compliance with export controls and economic sanctions laws, public health epidemics which have the potential to impact employees and the global economy, and unforeseen events such as natural disasters, terrorism, or political social or economic unrest or instability, including, without limitation, disruptions due to armed conflicts, such as the conflicts between Ukraine and Russia, Israel and Palestine and other civil unrest. As we continue to expand our business globally, we may have difficulty anticipating and effectively managing these and other risks, thus materially impacting our business, financial condition and results of operations.

Information technology failures could disrupt our operations and negatively impact our business.

In the normal course of business, we rely on information technology systems to process, transmit, and store electronic information that is critical for our business and the operations of our supply chain partners including information that enables traceability of the products we sell. Information technology systems are also integral to the reporting of our results of operations. Furthermore, a significant portion of the communications, and storage of personal data of, our personnel, customers, consumers and suppliers depend on information technology. Our information technology systems may be vulnerable to a variety of interruptions beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers, and other

cybersecurity issues. These events could compromise our confidential information, impede or interrupt our business operations, and may result in other negative consequences, including remediation costs, loss of revenue, litigation and reputational damage.

Our business is subject to numerous environmental and food safety regulations and policies.

Our operations are subject to environmental and food safety regulations and policies in the areas where we operate. Changes in any government laws or regulations applicable to our operations could increase our compliance costs, negatively affect our ability to sell certain products or otherwise adversely affect our results of operations. While we believe we are in compliance with all laws and regulations applicable to our operations, we cannot be assured that we have been, or will at all times be, in compliance with all environmental and food safety requirements, or that we will not incur material costs or liabilities in connection with these requirements. Our failure to comply with any laws, regulations or policies applicable to our business could lead to penalties, loss of our ability to sell certain of our products, possible product recalls and others, any of which could have a material impact on our business, financial condition and results of operations.

We may not be able to effectively manage our growth and integrate companies we may acquire.

We expect our business to grow rapidly via internal growth, and from time to time we may pursue acquisition opportunities that are consistent with our overall growth strategy. Our ability to effectively manage our growth and integrate possible acquisitions, including our ability to realize potentially available marketing opportunities and cost savings in a timely and efficient manner, will have a direct impact on our future results. We may encounter problems in connection with our growth and integration of any new businesses, such as challenges relating to the following: integration of an acquired company's products into our product mix; the amount of cost savings that may be realized as a result of integrating an acquired product or business; integrating acquired operations that have management teams and company cultures that differ from our own; compatibility of financial control and information systems; and others. If we experience any of these problems in the integration of possible acquisitions, they could have a material and adverse effect on our business, financial condition or results of operations.

Impairment charges related to long-lived assets or goodwill could adversely affect our business.

As a result of past business acquisitions, a part of our total assets includes intangible assets. We are required to perform impairment tests of long-lived assets and goodwill annually, or at a time when events occur that could affect the value of these assets. We may engage in additional acquisitions, which could result in our recognition of additional long-lived assets and goodwill. If the financial performance of the acquired business does not meet our expectations, we could be required to record impairments to long-lived assets or goodwill, which could materially and adversely impact our business, financial condition and results of operations.

Global geo-political tensions or direct conflict could adversely affect our business.

Escalating tensions or direct conflict such as currently in the Middle East may significantly disrupt global supply chains and energy production, potentially leading to higher oil prices which could be reflected in higher transportation costs, increased insurance premiums, and heightened cybersecurity threats against Western interests. A broadening of the conflict could restrict liquidity, disrupt logistics, and induce severe market volatility, materially affecting our operating costs and financial results

Risks Related to Ownership of Our Securities

Our stock price may be volatile, which may impact returns to our shareholders.

From time-to-time stock markets experience extreme price and volume fluctuations, which, when combined with general economic and political conditions, could adversely affect the market price for our securities. In addition, the trading price of our common stock may be volatile and could fluctuate widely in response to many factors, including the following, some of which are beyond our control:

- variations in our operating results;
- changes in expectations of our future financial performance, including financial estimates by securities analysts and investors;
- changes in operating and stock price performance of other companies in our industry;
- additions or departures of key personnel; and
- future sales of our common stock.

Our common shares are thinly traded, and our shareholders may be unable to sell at or near ask prices, or at all.

We cannot predict the extent to which an active public market for trading our common stock will be sustained. Our shares have historically been thinly traded meaning that the number of people interested in purchasing our common shares at or near bid prices at a certain given time may have been relatively small.

This situation is attributable to a number of factors, including the fact that we are a smaller company which is relatively unknown to stock analysts, stockbrokers, institutional investors and others in the investment community who generate or influence sales volume combined with our historical business results which have not achieved profitability. Even if our Company came to the attention of such people, those people may be reluctant to follow, purchase, or recommend the purchase of shares of a relatively unproven company such as ours until such time as we become more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal, compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous trades without an adverse effect on share price. We cannot be assured that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained.

We do not anticipate paying any cash dividends to our common shareholders and as a result, shareholders may only realize a return when their shares are sold.

We presently do not anticipate that we will pay dividends on any of our common stock in the foreseeable future. If payment of dividends does occur at some point in the future, it will be contingent upon our revenues, earnings and cash flow, capital requirements, and general financial condition. The payment of any common stock dividends will be at the discretion of our Board of Directors. We presently intend to retain all our earnings to implement our business plan; accordingly, we do not anticipate the declaration of any dividends for common stock in the foreseeable future.

Our business is subject to changing regulations related to corporate governance and public disclosure that may increase both our costs and the risk of noncompliance.

Because our common stock is publicly traded, we are subject to certain rules and regulations of federal, provincial and financial market exchange entities charged with the protection of investors and the oversight of companies whose securities are publicly traded. These entities have issued requirements and regulations and continue to develop additional regulations and requirements in response to public concerns. Our efforts to comply with these regulations have resulted in, and are likely to continue resulting in, increasing general and administrative expenses. Because new and modified laws, regulations and standards are subject to varying interpretations in many cases due to their lack of specificity, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This evolution may result in continuing uncertainty regarding compliance matters, additional costs necessitated by ongoing revisions to our disclosure and governance practices and the risk that non-compliance with disclosure regulations could lead to the halting of trading in our common stock and/or potential de-listing by stock exchanges.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure controls and procedures have been established to provide reasonable assurance that material information relating to the Company is made known to management, particularly during the period in which annual filings are being prepared. Furthermore, internal controls over financial reporting have been established to safeguard our assets and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

We have worked to enhance our disclosure controls and procedures through the implementation of the *Internal Control – Integrated Framework (2013 Framework)* control framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission, and the *Control Objectives for Information and Related Technology 5.0* framework Issued by the Information Systems Audit and Control Association for the management and governance of information technology.

Management regularly evaluates the effectiveness of our internal controls and as of December 31, 2025 have concluded that these controls and procedures are effective in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company in a timely manner.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

CORPORATE INFORMATION

Head Office:	1111 Melville Street Suite 410 Vancouver, BC, V6E 3V6
Directors:	Steve Bromley (Co-Chair) Peter Damouni Peter Gianulis Chad Hagen Javier Reyes (Co-Chair) Joe Riz (Chair, Audit Committee)
Officers:	Steve Bromley, Chief Executive Officer & President Ralf Langner, Chief Financial Officer & Corporate Secretary John Rathwell, Senior Vice President, Investor Relations and Corporate Development Bob Kouw, Chief Operating Officer, Global Operations
Auditor:	DMCL LLP 1500 – 1140 West Pender Street Vancouver, BC, V6E 4G1
Legal Counsel:	Cozen O'Connor LLP Suite 2501, 550 Burrard Street Vancouver, BC, V6C 2B5
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