



Breakthrough Chemistry, Inc.

Suite 108, 8891 Brighton Lane
Bonita Springs, FL 34135

Company Telephone: +1 800-549-6970
Company Website: www.breakthroughchemistry.com
Company email: IR@breakthroughchemistry.com

Quarterly Report

For the period ending June 30, 2026 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

9,729,304 as of June 30, 2026 (*Current Reporting Period Date or More Recent Date*)

9,729,304 as of March 31, 2026 (*Most Recent Completed Fiscal Year End*)

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control⁵ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁵ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

SuperiorClean, Inc. from March 29, 2001, to September 25, 2003
Megola, Inc. from September 25, 2003, to May 26, 2022
Alo-Gem from May 26, 2022, to September 23, 2022*
Megola, Inc. from September 23, 2022, to September 12, 2024
Breakthrough Chemistry, Inc. from September 12, 2024, to present

Current State and Date of Incorporation or Registration: Nevada corporation, incorporated March 29, 2001
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

On May 26, 2022, the Company changed its name from Megola, Inc. to Alo-Gem with the State of Nevada, The aforementioned action did not receive approval from the Financial Industry Regulatory Authority ("FINRA").

On September 23, 2022, the Company changed its name back to Megola, Inc.

On September 12, 2024, the Company changed its name from Megola, Inc. to Breakthrough Chemistry, Inc. with the State of Nevada, FINRA completed their review of the corporate action and filed notice of the name change on July 29, 2025.

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any company name change, stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On May 29, 2025, the Company's Board of Directors and its Majority Shareholder approved a reverse split of the issued and outstanding common shares of the Company on the basis of 1:30. On July 29, 2025, FINRA finalized their review and published notice of the Reverse Split.

On May 30, 2025, the Company filed an amendment to its articles of incorporation with the State of Nevada whereby it decreased the total authorized shares of the Company from 3,054,000,000 to 1,554,000,000, being a decrease in the authorized shares of common stock from 3,000,000,000 to 1,500,000,000, with the authorized Preferred Shares remaining at 54,000,000.

Address of the issuer's principal executive office:

8891 Brighton Lane, Ste 108, Bonita Springs, FL 34135

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Liberty Stock Transfer
Phone: (732) 372-0707
Email: inbox@libertystocktransfer.com
Address: 1041 State Route 36, Suite 310,
Atlantic Highlands, NJ 07716

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>BKTH</u>
Exact title and class of securities outstanding:	<u>Common Stock</u>
CUSIP:	<u>58517C404</u>
Par or stated value:	<u>\$0.001</u>
Total shares authorized:	<u>1,500,000,000</u> as of date: <u>June 30, 2026</u>
Total shares outstanding:	<u>9,729,304</u> as of date: <u>June 30, 2026</u>
Total number of shareholders of record:	<u>132</u> as of date: <u>June 30, 2026</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

N/A

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Exact title and class of the security:	Preferred Stock
Par or stated value:	See Below
Total shares authorized:	54,000,000 as of date: <u>June 30, 2026</u>
Total shares outstanding:	See Below as of date: <u>June 30, 2026</u>
Total number of shareholders of record:	See Below as of date: <u>June 30, 2026</u>

There are a total of 54,000,000 shares of Preferred Stock, par value \$0.001 authorized of which the following shares are designated:

Exact title and class of the security:	Series A Preferred Stock
Par or stated value:	\$0.001
Total shares authorized:	200 as of date: <u>June 30, 2026</u>
Total shares outstanding:	68 as of date: <u>June 30, 2026</u>
Total number of shareholders of record:	60 as of date: <u>June 30, 2026</u>

Exact title and class of the security:	Series B Preferred Stock
Par or stated value:	\$0.001
Total shares authorized:	100 as of date: <u>June 30, 2026</u>

Total shares outstanding: 6 as of date: June 30, 2026
Total number of shareholders of record: 5 as of date: June 30, 2026

Exact title and class of the security: Series C Preferred Stock
Par or stated value: \$0.001
Total shares authorized: 100 as of date: June 30, 2026
Total shares outstanding: 8 as of date: June 30, 2026
Total number of shareholders of record: 6 as of date: June 30, 2026

Exact title and class of the security: Special 2018 Series A Preferred Stock
Par or stated value: \$0.001
Total shares authorized: 1 as of date: June 30, 2026
Total shares outstanding: 1 as of date: June 30, 2026
Total number of shareholders of record: 1 as of date: June 30, 2026

Exact title and class of the security: Series D Preferred Stock
Par or stated value: \$10.00
Total shares authorized: 5,000,000 as of date: June 30, 2026
Total shares outstanding: 38,500 as of date: June 30, 2026
Total number of shareholders of record: 2 as of date: June 30, 2026

Exact title and class of the security: Series E Preferred Stock
Par or stated value: \$5.00
Total shares authorized: 5,000,000 as of date: June 30, 2026
Total shares outstanding: 0 as of date: June 30, 2026
Total number of shareholders of record: 0 as of date: June 30, 2026

Exact title and class of the security: Series F Preferred Stock
Par or stated value: \$1.00
Total shares authorized: 25,000,000 as of date: June 30, 2026
Total shares outstanding: 0 as of date: June 30, 2026
Total number of shareholders of record: 0 as of date: June 30, 2026

Exact title and class of the security: Series G Preferred Stock
Par or stated value: \$1.00
Total shares authorized: 10,000,000 as of date: June 30, 2026
Total shares outstanding: 0 as of date: June 30, 2026
Total number of shareholders of record: 0 as of date: June 30, 2026

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Holders of the common stock shall not have any preference, preemptive right or right of subscription to acquire shares of the corporation authorized, issued or sold, or to be authorized, issued or sold, or to any obligation or shares authorized or issued or to be authorized or issued, and convertible into shares of the corporation, nor to any right of subscription thereto, other than to the extent, if any, the Board of Directors in its sole discretion, may determine from time to time. Voting rights of the common stock is at the discretion of the Board of Directors when issued. Currently, holders of the common stock shall have one vote for each one share of common stock held. Dividends to be paid on common stock is at the discretion of the Board of Directors.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

2018 Special Series A Preferred Stock

The one (1) share of 2018 Special Series A Preferred stock, \$0.001 par value authorized which carries the right to 51% voting control of the Company.

Series A Preferred Shares:

All shares of Preferred Series "A" stock held 12 months are eligible for conversion to common stock at a conversion price set at \$0.20 cents per share or the value of the common stock, which shall be based on the average closing price of the common stock for 10 consecutive days immediately prior to the date of conversion. The Company has the right to effect a mandatory conversion of the Series A Preferred stock 24 months from the date of issuance of the Series A Preferred stock, after 60 days written notice. Each Preferred Series "A" share is entitled to cast 100 votes in a shareholder meeting.

Series B Preferred Shares:

All shares of Preferred Series "B" stock are convertible to common stock at a conversion price set at \$0.05 cents per share or the value of the common stock, which shall be based on the average closing price of the common stock for 10 consecutive days immediately prior to the date of conversion, whichever is less. The Company has the right to effect a mandatory conversion of the Series B Preferred stock 24 months from the date of issuance of the Series B Preferred stock, after 60 days written notice. The Series B Preferred stock has no voting rights.

Series C Preferred Shares:

All shares of Preferred Series "C" stock held 12 months are convertible to common stock at a conversion price set at \$0.10 cents per share or the 10-day average trading price of the common stock at the time of conversion, whichever is less. The Company has the right to effect a mandatory conversion of the Series C Preferred stock 24 months from the date of issuance of the Series C Preferred stock, after 60 days written notice. Each Preferred Series "C" share is entitled to cast 2,000 votes in a shareholder meeting.

Series D Preferred Shares

The Series D Preferred Stock may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6 month lock up period from the date of issuance and thereafter may be converted on the basis of 25% of the shares held by the shareholder quarterly, with no conversion resulting in the shareholder holding more than 9.99% of the issued and outstanding common stock. The shares are convertible into common stock at \$0.001 per share. The shares carry voting rights of 100 shares of common stock for each one share held. The shares have the right to receive dividends and are anti-dilutive.

Series E Preferred Shares

The Series E Preferred Stock may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6-month lock up period from the date of issuance and thereafter may be converted on the basis of 25% of the shares held by the shareholder quarterly, with no conversion resulting in the shareholder holding more than 9.99% of the issued and outstanding common stock. The shares are convertible into common stock at 35% of the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry voting rights of 10 shares of common stock for each one share held. The shares are anti-dilutive. The shares have no rights to receive dividends.

Series F Preferred Shares

The Series F Preferred Stock may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6-month lock up period from the date of issuance and thereafter may be converted into common stock and may be fully converted after 12 months of issuance. The shares are convertible into common stock at a 25% discount to the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry no voting rights. The shares are anti-dilutive. The shares have no right to receive dividends.

Series G Preferred Shares

The Series G Preferred Stock may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6 month lock up period from the date of issuance and thereafter may be converted into common stock and may be fully converted after 12 months of issuance. The shares are convertible into common stock at 50% of the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry no voting rights. The shares are anti-dilutive. The shares have no rights to receive dividends.

3. Describe any other material rights of common or preferred stockholders.

N/A

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

N/A

3) Issuance History

*The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.***

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding <u>Opening Balance</u>: Date <u>April 1, 2024</u> Common: <u>9,729,229</u> Preferred: <u>Series A Preferred: 68</u>	*Right-click the rows below and select "Insert" to add rows as needed.
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<u>Series B Preferred: 6</u> <u>Series C Preferred: 8</u> <u>Special 2018 Series A Preferred: 1</u> <u>Series D Preferred: 100,000</u> <u>Series E Preferred: 0</u> <u>Series F Preferred: 0</u> <u>Series G Preferred: 0</u>									
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>January 31, 2025</u>	<u>Cancellation</u>	<u>(45,000)</u>	<u>Series D Preferred</u>	<u>N/A</u>	<u>N/A</u>	<u>MedeSol Global Inc./Simon Johnston</u>	<u>Termination Agreement</u>	<u>N/A</u>	<u>N/A</u>
<u>January 31, 2025</u>	<u>Cancellation</u>	<u>(5,000)</u>	<u>Series D Preferred</u>	<u>N/A</u>	<u>N/A</u>	<u>Bruce Johnston</u>	<u>Termination Agreement</u>	<u>N/A</u>	<u>N/A</u>
<u>March 31, 2025</u>	<u>New Issuance</u>	<u>1,000</u>	<u>Series D Preferred</u>	<u>\$10.00</u>	<u>No</u>	<u>Bruce Johnston</u>	<u>Acquisition Agreement</u>	<u>Restricted</u>	<u>Reg D</u>
<u>July 29, 2025</u>	<u>New Issuance</u>	<u>75</u>	<u>Common</u>	<u>N/A</u>	<u>N/A</u>	<u>Various shareholders</u>	<u>Reverse Split Round Up.</u>	<u>N/A</u>	<u>N/A</u>
<u>December 22, 2025</u>	<u>Cancellation</u>	<u>(12,500)</u>	<u>Series D Preferred</u>	<u>N/A</u>	<u>N/A</u>	<u>GS Global Capital</u>	<u>Voluntary return to treasury</u>	<u>N/A</u>	<u>N/A</u>
Shares Outstanding on Date of This Report Ending Balance: Date: June 30, 2026 Common: 9,729,304 Preferred: Series A Preferred: 68 Series B Preferred: 6 Series C Preferred: 8 Special 2018 Series A Preferred: 1 Series D Preferred: 38,500 Series E Preferred: 0 Series F Preferred: 0 Series G Preferred: 0									

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☐ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

						Issued Upon Conversion ⁶		
November 26, 2020	205,184	52,684	November 26, 2020	Convertible into shares of common stock at any time after December 1, 2020 (5 days after maturity) at \$0.075 per share	67,778 (2,033,333 pre-reverse-split)	702,454	1863942 Ontario Corporation. The managing partner is Joel Gardner, and the shareholders are: JLG Holding Inc. Canada – 51% (a company of which Joel and Leasa Gardner are the sole shareholders), Sufan Siau – 31.5%, Steven Wong – 12.5%, Edwin Wong – 5%	Loan
August 27, 2021	65,924 ⁽¹⁾	Nil	August 27, 2021	Convertible into shares of common stock at any time after August 31, 2021 (5 days after maturity) into shares of common stock at \$0.15 per share	0	0	GS Capital Blends LLC. The managing members are Mark Suchy and Joel Gardner	Loan
December 22, 2025	135,000	135,000	December 22, 2025	Convertible into shares of common stock at any time after December 22, 2025 (5 days after maturity) into shares of common stock at \$0.075 per share	0	1,800,000	GS Capital Blends LLC. The managing members are Mark Suchy and Joel Gardner	Loan
Total Outstanding Balance:		187,684	Total Shares:		67,778 (2,033,333 pre-reverse-split)	2,502,454		

Any additional material details, including footnotes to the table are below:

(1) The Company paid this convertible note by way of a cash payment on March 2, 2026

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

⁶ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

Breakthrough Chemistry, Inc. develops real, science--driven chemistry platforms designed to outperform the legacy products the world has relied on for decades. We focus on clean, non--volatile, environmentally responsible solutions that deliver measurable results without fragrances, gimmicks, or marketing tricks.

Our products are more particularly described below under Item C.

B. List any subsidiaries, parent company, or affiliated companies.

The Issuer has no subsidiaries and no parent company as of the date of this filing. The Issuer has the following affiliated companies: GS Capital Blends LLC, which has officers, directors and shareholders in common with the Issuer and holds 37,500 of the 38,500 outstanding Series D Preferred shares (97%); 1863942 Ontario Corporation, which is controlled by a shareholder of the Issuer and holds a convertible note of the Issuer; and Interway International Ltd., a Hong Kong SAR corporation of which the Issuer's Chief Executive Officer is managing partner and which is the Issuer's exclusive APAC sales agent.

C. Describe the issuers' principal products or services.

Breakthrough Chemistry, Inc. develops real, science--driven chemistry platforms designed to outperform the legacy products the world has relied on for decades. We focus on clean, non--volatile, environmentally responsible solutions that deliver measurable results without fragrances, gimmicks, or marketing tricks.

Our work centers on three core platforms:

• Stabilized Halogen Platform

Advanced N--halamine technologies used across odor control, antimicrobial protection, food preservation, mineral coatings, and environmental applications. These systems power solutions for consumer, industrial, agricultural, and environmental markets.

• SiO₂ Surface Protection Platform

Durable coatings for mobile device glass, automotive windshields, household glass, shower surfaces, polycarbonate lenses, eyeglasses, sunglasses, sports eyewear, vinyl windows, acrylic panels, marine glass, metal surfaces, and agricultural foliar sprays. These coatings improve clarity, repel water, reduce smudging, and strengthen surfaces.

• Fire Inhibitor Mineral Platform

Topical fire--inhibitor coatings and mineral--anchored fire--inhibitor systems for building materials, insulation, foams, textiles, carpets, and composites. These solutions provide non--halogen, durable fire--inhibiting performance for both rigid and flexible materials.

These platforms support a growing portfolio of 11 patents pending, covering technologies that span consumer, industrial, agricultural, marine, environmental, and food--safety markets. All platforms are engineered for scalability, local blending, and rapid global deployment through strategic partners and licensing relationships.

On June 14, 2026, the Issuer announced the successful completion of independent third-party validation of its next-generation 100% PFAS-FREE silica hybrid coating platform. Testing was conducted by ACE Laboratories using industry-standard ASTM durability and optical performance methods.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Issuer does not own any real property such as land, buildings, physical plants or other material physical properties.

The Issuer has rented services at an executive center at the cost of \$99 per month. The Issuer also holds raw material inventory with a carrying value of \$85,312 at June 30, 2026 at a third-party warehouse operated by Dimachem Inc. at 3258 Marentette Avenue, Windsor, Ontario, Canada, on a month-to-month basis at a storage charge of \$120 per month. The Issuer does not own, lease or control those premises.

6) All Officers, Directors, and 5% Beneficial Owners of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, ≥ 5% beneficial owner)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
Rodney Nettles	5% Control person	Naples, FL	1	2018 Special Series A Preferred Stock ⁽¹⁾	100%
Robert Gardiner	Director and President	Camlachie, Ontario, Canada	0	N/A	N/A
Mark Suchy ⁽²⁾	Director, CFO, Secretary, Treasurer	Bonita Springs, FL	50,000 shares held directly	Common	0.51%
Sufan Siauw	Director and CEO	Hong Kong	0	N/A	N/A
Darryl Campbell	Director	London, Ontario Canada	0.	N/A	N/A
Ron Olsson	Director	Fort Myers, FL	0	N/A	N/A
Joel Gardner ⁽²⁾	5% Control person	Corunna, Ontario Canada	1 4 200 shares, held directly	Series B Preferred Stock Series A Preferred Stock Common	16.67% 5.9% <1%

Airam Capital, Inc. Managing partner, Aldo Rotondi	5% Control person	Sarnia, Ontario Canada	1	Series C Preferred Stock	12.5%
Magaly Bianchini	5% Control person	Toronto, Ontario Canada	2	Series C Preferred Stock	25%
Day Family Trust, for benefit of Rowland Day	5% Control person	Newport Beach, CA	1	Series C Preferred Stock	12.5%
Donald Forkner	5% Control person	Green Valley, AZ	1	Series C Preferred Stock	12.5%
Enrico Restivo	5% Control person	Sarnia, Ontario Canada	2	Series C Preferred Stock	25%
Matteo Sacco	5% Control person	Mississauga, Ontario Canada	1	Series C Preferred Stock	12.5%
Jeff Weinbrum	5% Control person	Mississauga, Ontario Canada	1	Series B Preferred Stock	16.67%
Michael T. Williams	5% Control person	Tampa, FL	2	Series B Preferred Stock	33.33%
Katherine B Colby As Trustee Of The Katherine B Colby Revocable Trust	5% Control person	Redding, CT	1	Series B Preferred Stock	16.67%
Michael I Colby As Trustee Of The Michael I Colby Revocable Trust	5% Control person	Redding, CT	1	Series B Preferred Stock	16.67%
GS Capital Blends LLC ⁽²⁾	5% Control person	Bonita Springs, FL	37,500	Series D Preferred Stock	97%
Daniel Graveline	5% Control person	Brights Grove, Ontario Canada	509,260	Common Stock	5.23%

(1) These shares control 51% of the voting control of the common stock.

(2) Both Mr. Suchy and Mr. Joel Gardner have ownership over Series D Preferred shares held under GS Capital Blends LLC, of which they are managing members.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Name: Allen Tucci
Firm: McNeese Wallace & Nurick
Address 1: 100 Pine Street
Address 2: Harrisburg, PA 17101
Phone: (484) 329-8050
Email: atucci@mcneese.com

Accountant or Auditor

Name: Li Shen
Firm: The Accounting Connection
Address 1: 145-251 Midpark Blvd SE
Address 2: Calgary, Alberta T2X 1S3
Phone: (403) 693-8004
Email: support@theaccountingconnection.com

Investor Relations

The issuer at this time does not have any formal investor relations. Mark Suchy, an officer and director of the issuer monitors the issuer website at <http://breakthroughchemistry.com> and our telephone at 1-888-587-1698. His email contact is megolausa@gmail.com

All other means of Investor Communication:

X (Twitter): <http://twitter.com/megolacorp>
Discord: N/A
LinkedIn: N/A
Facebook: N/A
[Other] EIN Presswire – news distribution
Issuer Direct – news distribution

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: Jacqueline Danforth
Firm: The Ideal Connection
Nature of Services: Compliance consulting services
Address 1: 30 North Gould, Suite 5953
Address 2: Sheridan, WY 82801
Phone: 646-831-6244
Email: jd@theidealconnection.com

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Jacqueline Danforth
Title: Independent Consultant
Relationship to Issuer: Outside service provider

This disclosure statement was prepared based on information supplied to the preparer by management.

B. The following financial statements were prepared in accordance with:

☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Li Shen
Title: Accountant
Relationship to Issuer: Retained third party accounting firm

Describe the qualifications of the person or persons who prepared the financial statements:⁷
Ms. Shen is a Chartered Professional Accountant

⁷ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

The issuer has appended the unaudited financial statements for the three months ended June 30, 2026 and 2025 hereto including the following:

- a. Balance Sheets;
- b. Statements of Operations;
- c. Statements of Cash Flows;
- d. Statements of Stockholders' Equity
- e. Financial notes

10) Issuer Certification

Principal Executive Officer:

I, Sufan Siau, certify that:

1. I have reviewed this Disclosure Statement for Breakthrough Chemistry, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 14, 2026

/s/ Sufan Siau

Principal Executive Officer

Principal Financial Officer:

I, Mark Suchy certify that:

1. I have reviewed this Disclosure Statement for Breakthrough Chemistry, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 14, 2026

/s/ Mark Suchy

Principal Financial Officer

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Balance Sheets
(Unaudited)

	<u>June 30, 2026</u>	<u>March 31, 2026</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 687	\$ 7,952
Prepaid expenses	—	44,955
Inventory	85,312	48,978
Marketable equity securities	1,214,400	1,898,600
Total Current Assets	<u>1,300,400</u>	<u>2,000,485</u>
Intangible Assets, net of impairment (Note 8)	—	332,576
Total Assets	<u><u>\$ 1,300,400</u></u>	<u><u>\$ 2,333,061</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 66,397	\$ 47,917
Advances Payable – related parties	39,601	5,520
Deferred revenue, current	10,000	10,000
Loan Payable – related party	7,781	7,693
Coupon interest payable – related party	65,411	65,411
Convertible Note – related party (Note 9)	187,684	187,684
Total Current Liabilities	<u>376,874</u>	<u>324,225</u>
Deferred revenue, net of current portion	86,250	88,750
Total Liabilities	<u><u>\$ 463,124</u></u>	<u><u>\$ 412,975</u></u>
Stockholders' Equity		
Common Stock – authorized 1,500,000,000 shares, \$0.001 par value, 9,729,304 shares of common stock issued and outstanding	9,729	9,729
2018 Special Series A Preferred Shares – authorized 1 share of \$0.001 par value, 1 share issued and outstanding	—	—
Series A Preferred Shares – authorized 200 shares, \$0.001 par value, 68 shares issued and outstanding	—	—
Series B Preferred Shares – 100 authorized shares \$0.001 par value, 6 shares issued and outstanding	—	—
Series C Preferred Shares – 100 authorized shares, \$0.001 par value, 8 shares issued and outstanding	—	—
Series D Preferred Shares – 5,000,000 authorized shares, \$10.00 par value, 38,500 shares issued and outstanding	385,000	385,000
Series E Preferred Shares – 5,000,000 authorized shares, \$5.00 par value, 0 shares issued and outstanding	—	—
Series F Preferred Shares – 25,000,000 authorized shares, \$1.00 par value, 0 shares issued and outstanding	—	—
Series G Preferred Shares – 10,000,000 authorized shares, \$1.00 par value, 0 shares issued and outstanding	—	—
Additional Paid in Capital	1,397,109	1,397,109
Accumulated deficit	<u>(954,562)</u>	<u>128,248</u>
Total Stockholders' Equity	<u>837,276</u>	<u>1,920,086</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 1,300,400</u></u>	<u><u>\$ 2,333,061</u></u>

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

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Statements of Operations
(Unaudited)

	Three Months Ended June 30,	
	2026	2025
Revenue	\$ 2,500	\$ -
Gross Profit	2,500	-
OPERATING EXPENSES		
Professional fees	5,815	4,714
Impairment and amortization of intangible assets (Note 8)	332,576	11,171
Selling, general and administrative expenses	26,798	2,733
Total operating expenses	365,189	18,618
 (Loss) from operations	 (362,689)	 (18,618)
Other income (expense)		
Unrealized loss on mark-to-market adjustment (Note 7)	(684,200)	-
Write off of Prepaid Royalty (Note 5)	(35,833)	-
Interest expense	(88)	(88)
Total other income (expense)	(720,121)	(88)
 Net loss	 \$ (1,082,810)	 \$ (18,706)
 Basic net income (loss) per share	 \$ (0.11)	 \$ (0.00)
Diluted net income (loss) per share	\$ (0.11)	\$ (0.00)
 Weighted average shares: basic	 9,729,304	 9,729,304
Weighted average shares: diluted	9,729,304	9,729,304

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

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Statements of Stockholders' Equity
(Unaudited)

	Preferred Stock (1) Amount	Special 2018 Preferred Stock (2) Amount	Common Stock Shares	Amount	Additional Paid- in Capital	Retained Earnings	Shareholders' Equity
Balance, March 31, 2026	\$ 385,000	\$ -	9,729,304	\$ 9,729	\$ 1,397,109	\$ 128,248	\$ 1,920,086
Net loss	-	-	-	-	-	(1,082,810)	(1,082,810)
Balance, June 30, 2026	\$ 385,000	\$ -	9,729,304	\$ 9,729	\$ 1,397,109	\$ (954,562)	\$ 837,276
Balance, March 31, 2025	\$ 510,000	\$ -	9,729,304	\$ 9,729	\$ 1,272,109	\$ (1,314,354)	\$ 477,484
Net loss	-	-	-	-	-	(18,706)	(18,706)
Balance, June 30, 2025	\$ 510,000	\$ -	9,729,304	\$ 9,729	\$ 1,272,109	\$ (1,333,060)	\$ 458,778

(1)

	Preferred Series A		Preferred Series B		Preferred Series C		Preferred Series D		Preferred Series E		Preferred Series F		Preferred Series G	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Balance, March 31, 2026	68	\$ —	6	\$ —	8	\$ —	38,500	\$ 385,000	—	\$ —	—	\$ —	—	\$ —
Balance, June 30, 2026	68	\$ —	6	\$ —	8	\$ —	38,500	\$ 385,000	—	\$ —	—	\$ —	—	\$ —
Balance, March 31, 2025	68	—	6	—	8	—	51,000	510,000	—	—	—	—	—	—
Balance, June 30, 2025	68	—	6	—	8	—	51,000	510,000	—	—	—	—	—	—

(2)

	Special 2018 Series A Preferred	
	Shares	Amount
Balance, March 31, 2026	1	\$ —
Balance, June 30, 2026	1	\$ —
Balance, March 31, 2025	1	\$ —
Balance, June 30, 2025	1	\$ —

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

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Statements of Cash Flows
(Unaudited)

	For the three months ended June 30,	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (1,082,810)	\$ (18,706)
Adjustments to reconcile net loss to net cash used in operating activities:		
Unrealized loss on mark-to-market adjustment	684,200	-
(Gain) on sale of assets	-	-
Accrued interest added to loan payable – related party	88	88
Impairment and amortization of intangible assets	332,576	11,171
Write off of Prepaid Royalty	35,833	-
Impairment of inventory	6,891	-
Changes in operating assets and liabilities		
Accounts receivable	-	-
Prepaid expense	9,122	-
Inventory	(9,145)	-
Deferred revenue	(2,500)	-
Accounts payable and accrued expenses	18,480	7,084
Cash used in operating activities	<u>(7,265)</u>	<u>(363)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of assets	<u>-</u>	<u>-</u>
Cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment to convertible notes	-	-
Cash provided by financing activities	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH	(7,265)	(363)
CASH AT BEGINNING OF PERIOD	7,952	652
CASH AT END OF PERIOD	<u>\$ 687</u>	<u>\$ 289</u>

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

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

NOTE 1 - NATURE OF OPERATIONS

Breakthrough Chemistry, Inc. (“Breakthrough” or the “Company”), incorporated in the State of Nevada on March 29, 2001, develops real, science--driven chemistry platforms designed to outperform the legacy products the world has relied on for decades. We focus on clean, non--volatile, environmentally responsible solutions that deliver measurable results without fragrances, gimmicks, or marketing tricks.

Our work centers on three core platforms:

• **Stabilized Halogen Platform**

Advanced N--halamine technologies used across odor control, antimicrobial protection, food preservation, mineral coatings, and environmental applications. These systems power solutions for consumer, industrial, agricultural, and environmental markets.

• **SiO₂ Surface Protection Platform**

Durable coatings for mobile device glass, automotive windshields, household glass, shower surfaces, polycarbonate lenses, eyeglasses, sunglasses, sports eyewear, vinyl windows, acrylic panels, marine glass, metal surfaces, and agricultural foliar sprays. These coatings improve clarity, repel water, reduce smudging, and strengthen surfaces.

• **Fire Inhibitor Mineral Platform**

Topical fire--inhibitor coatings and mineral--anchored fire--inhibitor systems for building materials, insulation, foams, textiles, carpets, and composites. These solutions provide non--halogen, durable fire--inhibiting performance for both rigid and flexible materials.

These platforms support a growing portfolio of 11 patents pending, covering technologies that span consumer, industrial, agricultural, marine, environmental, and food--safety markets. All platforms are engineered for scalability, local blending, and rapid global deployment through strategic partners and licensing relationships.

By joint written consent dated September 11, 2024, the Company’s Board of Directors and its Majority Shareholder approved a change of the Company’s name to Breakthrough Chemistry, Inc., which was filed with the State of Nevada on September 12, 2024. On May 29, 2025, the Company’s Board of Directors and its Majority Shareholder approved a reverse split of the issued and outstanding common shares of the Company on the basis of 1:30 and a decrease to the authorized shares of the Company from 3,054,000,000 to 1,554,000,000, with the authorized shares of common stock, par value \$0.001, being 1,500,000,000 and the authorized Preferred Shares, par value, remaining at 54,000,000. On July 29, 2025, the reverse split was deemed effective following the final review by FINRA and on August 18, 2025, the Company began trading under the symbol “BKTH”. Accordingly, all share and per share amounts for all periods presented in the accompanying unaudited financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect this reverse stock split and adjustment of the preferred stock conversion ratios, as may be applicable.

On December 22, 2025, the Company approved the finalization of the sale of certain assets, related to structural and wildfire- focused fire prevention platforms to CitroTech Inc. (formerly General Enterprise Ventures Inc.) (NYSE American: CITR) for cash consideration of \$100,000 and 220,000 shares of CitroTech Inc. common stock. The cash consideration was received prior to the end of the December 31, 2025, and the restricted common shares were received in January 2026. (Note 6)

On December 22, 2025, a shareholder of the Company, GS Capital Blends LLC, returned 12,500 Series D Preferred shares to the Company. There was no consideration for the return of the shares.

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

NOTE 2 – GOING CONCERN

The Company has \$687 cash on hand, product inventory valued at \$85,312, and marketable equity securities of \$1,214,400 received in January 2026, for total current assets of \$1,300,400 and current liabilities of \$376,874 on June 30, 2026, and we have incurred accumulated operating losses to date. While sales have commenced with respect to acquired inventory and product licenses, funds generated from these sales were not sufficient to pay debt and fund ongoing operations.

The Company's operations have been funded to date by management and shareholders, the sale of corporate assets, including intellectual property and licensing rights, sales of acquired product inventory and through the issuance of shares of the Company's preferred stock. The Company expects this funding to continue until such time as it can acquire a profitable operating business or undertake a financing. There can be no assurance that the Company will continue to receive this funding from management or shareholders, will be able to generate sufficient revenue from sales of products or that the funding received or generated will be sufficient to pay for its ongoing operations. Management's plans for the continuation of the Company as a going concern includes successful operation of its recently acquired assets in order to attain profitable operations, the development of a commercially viable business, and financing of the Company's operations through sale of its common stock, as well as shareholder and management advances until such time as it has established profitable operations.

These conditions raise substantial doubt about the Company's ability to continue as a going concern within one year after the date these financial statements are issued. Management's plans described above have not been concluded to alleviate that substantial doubt. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, that might result from the outcome of this uncertainty.

NOTE 3 - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles (US GAAP). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal recurring nature.

Fiscal Year-End

The Company has selected March 31 as its fiscal year-end.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

Intangible Assets

Intangible assets reflect the purchase price of various intangible assets including intellectual property rights to various commercial products and process technology, patents, other rights and licensing agreements acquired. The Company has implemented the Business Combinations Topic of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 350, *Intangibles - Goodwill and Other*. Intangible assets acquired are amortized over their useful life, which the Company has determined to be twenty (20) years. The Company expenses costs to maintain or extend intangible assets as incurred.

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value. Management of the Company determined there was no impairment with respect to the carrying value of certain intangible assets during the three months ended June 30, 2025. During the three months ended June 30, 2026, the Company recognized an impairment charge of \$332,576 with respect to the carrying value of certain intangible assets. See Note 8.

Fair Value Measurements

The Company accounts for certain of its financial assets and liabilities at fair value in accordance with ASC 820, *Fair Value Measurement*. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices for similar assets or identical assets in inactive markets).
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities (requiring management's own assumptions).

The asset's or liability's fair value measurement level within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Marketable Equity Securities

The Company's marketable equity securities consist of common stock in publicly traded companies. In accordance with ASC 321, *Investments—Equity Securities*, these investments are carried at fair value on the balance sheets, with changes in fair value recognized as unrealized gains or losses in the statements of operations. The Company classifies these investments within Level 1 of the fair value hierarchy because their fair value is determined using unadjusted quoted market prices in active markets.

Revenue Recognition

The Company applies ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied.

The Company recognizes revenue when the earnings process is complete and persuasive evidence of an arrangement exists. For product sales this generally occurs when a purchased product has been shipped to a customer from our fulfilment center, at which time both title and the risks and rewards of ownership are transferred to and accepted by the customer, and the selling price has been collected. For the non-refundable upfront agency fee described under Deferred Revenue below, the related performance obligation is satisfied over time and the fee is recognized on a straight-line basis over the initial term of the agreement. The only revenue recognized in either period presented is agency fee revenue recognized over time; there were no product sales in either period.

Inventory

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The Company conducts physical inventory counts quarterly, and cost is adjusted to actual based on these counts. Net realizable value is defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

The Company evaluates its inventory, including finished goods and raw materials, for obsolescence, slow-moving items, and excess quantities, and writes down inventory to its net realizable value when required. These write-downs establish a new cost basis that cannot be subsequently reversed.

The Company completed a physical count of the raw materials held at its third-party warehouse as at June 30, 2026. The count identified quantities of four raw material items that were absent from the warehouse, one of which had been reported at nil on three successive warehouse reports. The Company wrote those quantities off at their carrying amount. During the three months ended June 30, 2026 and 2025, the Company recorded charges for inventory shortages identified on physical count of \$6,891 and \$0, respectively, which are included in selling, general and administrative expenses in the accompanying statements of operations. These charges arose from quantities absent on count and are not write-downs of the carrying value of inventory on hand to net realizable value.

Warranty

While we offer a return policy which includes a 30-day money back guarantee, in the most recent two years of product sales there have been no product returns and therefore we have not recorded a liability for any warranty obligations. We assess the need for warranty and return liabilities at each report date.

Advertising Costs

The Company expenses advertising costs as incurred or the first time the advertising takes place, whichever is earlier, in accordance with ASC 720-35. There were no advertising costs incurred during the three months ended June 30, 2026 and 2025.

Research and Development Costs

The Company charges research and development costs to expense when incurred in accordance with FASB ASC 730, "Research and Development". Research and development costs during the three months ended June 30, 2026 and 2025 were \$4,065 and \$0, respectively, and are included within selling, general and administrative expenses in the accompanying statements of operations.

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (Continued)

Deferred Revenue

Pursuant to the exclusive APAC Sales Agency Agreement executed on February 18, 2026, the Company received a one-time, non-refundable upfront fee of \$100,000 from Interway International Ltd. In accordance with ASC 606, *Revenue from Contracts with Customers*, the Company evaluated this upfront payment and determined that it does not represent a distinct performance obligation separate from the underlying exclusive master agency rights granted over the initial term.

Consequently, the \$100,000 was recorded as a contract liability (deferred revenue) upon receipt on the effective date. This deferred revenue is being recognized as revenue on a straight-line basis over the initial 10-year term of the Agreement, at a rate of \$10,000 per annum.

During the three months ended June 30, 2026, the Company recognized \$2,500 in revenue under this Agreement, which is included within revenues in the statements of operations. As of June 30, 2026 and March 31, 2026, the outstanding balance of deferred revenue was \$96,250 and \$98,750, respectively.

Convertible Notes

The Company accounts for convertible note in accordance with ASC 470-20, Debt with Conversion and Other Options, as amended by ASU 2020-06, Debt — Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging — Contracts in Entity's Own Equity (Subtopic 815-40). Under ASU 2020-06, the cash conversion model and the beneficial conversion feature model have been eliminated for convertible instruments. Accordingly, convertible instruments are accounted for as a single unit unless a conversion feature meets the conditions for bifurcation as a derivative under ASC 815.

Income Taxes

Income taxes are recognized in accordance with ASC 740, "Income Taxes", whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized.

Basic and Diluted Loss Per Share

In accordance with ASC Topic 260 – "Earnings Per Share," the basic loss per common share is computed by dividing the net loss available to common stockholders by the weighted average number of common stock outstanding. Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional shares of common stock that would have been outstanding if the potential common stock had been issued and if the additional shares of common stock were dilutive.

Potential common stock consists of the incremental common stock issuable upon the exercise of common stock warrants (using the if-converted method), convertible notes, classes of shares with conversion features, stock awards and stock options. The computation of loss per share for the comparative periods excludes potentially dilutive securities of underlying preferred shares if their inclusion would be antidilutive. The table below reflects the potentially dilutive securities at period ended June 30, 2026, and March 31, 2026. Both periods presented are loss periods in which all potentially dilutive securities are antidilutive and are excluded from diluted loss per share, and the conforming change has no effect on basic or diluted loss per share in any period presented.

Breakthrough Chemistry Inc.
(Formerly: Megola, Inc.)
Notes to Unaudited Financial Statements
for the three months ended June 30, 2026 and 2025

NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (Continued)

Basic and Diluted Loss Per Share (Continued)

	June 30, 2026	March 31, 2026
Series A Preferred Stock	1,700	3,071
Series B Preferred Stock	1,200	1,200
Series C Preferred Stock	160	160
Series D Preferred Stock	385,000,000	385,000,000
Convertible Notes	2,502,454	2,502,454
Total	387,505,514	387,506,885

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this standard on our disclosures.

In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. This update is effective for annual periods beginning after December 15, 2025, including interim periods within those fiscal years. The Company adopted ASU 2025-05 on April 1, 2026, the beginning of its fiscal year ending March 31, 2027, and applied it prospectively. The adoption of this ASU did not have an impact on its financial statements.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-11.

In December 2025, the FASB issued ASU No. 2025-12, Codification Improvements. The ASU addresses thirty-three items, representing the changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. Generally, the amendments in this Update are not intended to result in significant changes for most entities. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2026. The adoption method of this ASU may vary, on an issue-by-issue basis. Early adoption is permitted. We are currently evaluating the provisions of this ASU and do not expect this ASU to have a material impact on our financial statements. In April 2026, the FASB issued ASU 2026-01, Debt (Subtopic 470-20): Accounting for Paid-in-Kind Dividends on Equity-Classified Preferred Stock, which provides authoritative guidance on how an issuer should initially measure paid-in-kind (PIK) dividends on equity-classified preferred stock. The Company does not currently have preferred stock with PIK dividend features and does not expect this ASU to have a material impact on its financial statements. In May 2026, the FASB issued ASU 2026-02, Environmental Credits and Environmental Credit Obligations (Topic 818), which provides the first formal U.S. GAAP guidance for how companies should recognize, measure, and disclose environmental credits and environmental credit obligations. The Company is currently evaluating the provisions of this ASU and does not believe it will have a material impact on its financial statements, as the Company does not currently hold or generate environmental credits.

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NOTE 4 – SUMMARY OF ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (Continued)

The Company has considered all other recently issued accounting pronouncements and does not believe the adoption of such pronouncements will have a material impact on its financial statements.

NOTE 5 – ASSET ACQUISITIONS AND AMENDMENT AGREEMENTS

Intellectual Property and Technology from GS Capital Blends LLC

On March 28, 2022, Megola announced that it had entered into a letter of intent with GS Capital Blends LLC, a company with officers, directors and shareholders in common, regarding the Purchase and License of Intellectual Property, Product Lines, Manufacturing and Other Specified Assets of GS Capital Blends LLC. On May 24, 2022, we issued a total of 75,000 Series D Preferred shares (the “Acquisition shares”), par value \$10 per share in respect to the aforementioned agreement. We valued the transaction at cost on the acquisition date and capitalized the intellectual property as intangible assets. Subsequently we entered into an amendment to the original agreement (the “Amendment”) reducing the number of acquisition shares to 50,000, extending the terms of a lock-up provision (the “Lock-up”) with respect to the conversion of the Acquisition shares to December 31, 2024, and granting GS Capital Blends a coupon of 5% on the par value of the Acquisition shares, or \$500,000 through termination of the Lock-up.

Intellectual Property and Technology from GS Capital Blends LLC (continued)

Under the terms of the Amendment, the 25,000 shares of Series D Preferred stock were deemed canceled and returned to treasury retroactive to the original agreement date, or May 24, 2022. We valued the transaction at cost on the acquisition date and capitalized \$500,000 as intangible assets. In the quarter ended December 31, 2025, the Company expanded its retained fire-inhibitor platform by adding certain product lines to its portfolio. These formulations were transferred from GS Capital Blends LLC for no additional compensation, strengthening the Company’s fire-chemistry suite.

Intellectual Property and Technology from RBG Wholesale

On May 24, 2022, Megola closed a Contract for the Purchase and Sale of Business Assets from RBG Wholesale with RBG Wholesale (“RBG”), a company with officers, directors and shareholders in common by way of the issuance of 15,000 shares of the Company’s Series F Preferred stock, par value \$1.00 per share. The Company has been granted a license to access certain branding, label and supply agreements for various Specialty Coffee Product lines. We valued the transaction at cost on the acquisition date and capitalized \$15,000 as intangible assets.

Intellectual Property and Technology from MedeSol Global and Si02 International Inc.

On May 24, 2022, Megola closed a Purchase and Sale of Business Assets Contract with MedeSol Global Inc (“MedeSol”) and issued 15,000 shares of the Company’s Series F Preferred stock, par value \$1.00 per share. Further, on December 27, 2022, the Company amended the original Purchase and Sale of Business Assets Contract with a Definitive Contract for the Exclusive License/Manufacturing of certain MedeSol Global Inc. product lines, which agreement superseded the prior agreement and closed upon issuance of 25,000 shares of the Company’s Series D Preferred stock, par value \$10 per share, and the concurrent cancelation of the 15,000 shares of Series F Preferred stock issued previously. We valued the transaction on the acquisition date at \$250,000 and capitalized \$52,743 with respect to acquired inventory and allocated \$197,257 to intangible assets.

On February 3, 2023, the Company closed a Second Definitive Contract for the Exclusive License/Manufacturing of certain MedeSol product lines for a cash payment of \$25,000, paid in November 2022, and the issuance of 25,000 shares of the Company’s Series D Preferred stock, par value \$10 per share. We valued the transaction on the acquisition date at \$275,000 including the cash consideration and capitalized \$76,144 with respect to acquired inventory and allocated \$198,856 to intangible assets.

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NOTE 5 – ASSET ACQUISITIONS AND AMENDMENT AGREEMENTS (Continued)

Intellectual Property and Technology from MedeSol Global and SiO2 International Inc. (Continued)

On January 31, 2025, a Consolidated Amendment Agreement was entered between the Company and MedeSol. The Consolidated Amendment Agreement supersedes all prior agreements and provided as follows:

- The Exclusive License and Manufacturing Agreement shall become a Non-Exclusive License and Manufacturing Agreement for the underlying intellectual property subject to a royalty payable to MedeSol equal to 20% of the manufacturing cost of the blends (materials + labor + blending fees) determined based on manufactured volume of the blends, such royalty to be paid semi-annually no later than the last day of the month following the end of each semi-annual period on applicable products;
- 45,000 shares of the Company's Series D preferred stock shall be returned to the Company's treasury by MedeSol;
- The Company shall transfer 50% of certain raw materials inventory with a total book value of \$71,665.49 to MedeSol;
- Jeffrey Williams shall forgive a convertible note in the principal amount of \$25,000 plus interest accrued thereon;
- MedeSol will forgive outstanding payables in the amount of \$40,405; and,
- The Company will assign certain agreements and customer relationships to MedeSol.

Further, On February 9, 2025, a Royalty Credit and Inventory Agreement ("Agreement") was entered into by and between the Company and MedeSol under which MedeSol agreed to take possession of the remaining 50% of the raw materials inventory currently held on hand, and to issue a credit against future royalties due to MedeSol from the Company in the amount of \$35,833. The Company has allocated \$35,833 to Prepaid Expenses on the Company's balance sheets.

On March 23, 2025, the Company, SiO2 International Inc. and Bruce Johnston, its CEO, entered into an agreement to accelerate and terminate certain agreements previously entered into between the Company, SiO2 and MedeSol dated 9th day of August, 2024 and acquire certain previously licensed IP in consideration for (i) the cancellation of 5,000 shares of Series D Preferred stock originally issued to Johnston as part of an agreement between the Company and MedeSol dated February 3, 2023, (ii) the immediate transfer of certain intellectual property from SiO2 to the Company and the new issuance of 1,000 shares of the Company's Series D Preferred Stock to Johnston.

The Company considered the aforementioned transactions between the Company, MedeSol and SiO2/Bruce Johnston to be part of a singular transactional event between the parties and valued the transactions concurrently. The Company recorded a gain in respect to the Consolidated Amendment Agreement as set out below:

	March 23, 2025
50% Inventory return to MedeSol in exchange for royalty credit	\$ 35,832
Forgiveness of principal balance of convertible note	(25,000)
Extinguishment of stock settled debt associated with convertible note	(25,000)
Forgiveness of interest payable under convertible note	(5,479)
Forgiveness of advances from related party, MedeSol	(40,405)
Total net liabilities extinguished	<u>(60,052)</u>
Consideration	
Return of 50,000 shares of the Company's Series D Preferred stock (45,000 by MedeSol; 5,000 by Bruce Johnston)	-
Issue 1,000 shares of the Company Series D Preferred stock	-
Total consideration	-
Gain on transaction as a result of amendments and related agreements	\$ <u>60,052</u>

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NOTE 5 – ASSET ACQUISITIONS AND AMENDMENT AGREEMENTS (Continued)

Intellectual Property and Technology from MedeSol Global and Si02 International Inc. (Continued)

On March 8, 2026, the Company issued a final communication to MedeSol's corporate management acknowledging:

- MedeSol's longstanding position that all agreements were terminated;
- The Company's independent operations since that date;
- The Company's development and licensing of its own technology through GSCB;
- The Company's lack of reliance on any MedeSol IP;
- And the Company's intention to move forward with no further interaction or dependency.

The Company expressly reserved all rights and made no admissions regarding MedeSol's prior claims. The Company takes the position that the correspondence formally closes the relationship.

During the three months ended June 30, 2026, management completed its assessment of the recoverability of the assets associated with the MedeSol arrangements. On completion of that assessment the Company concluded that, as at June 30, 2026, the carrying amount of the prepaid royalty and of the intangible assets comprising the MedeSol licensed rights was not recoverable and that those assets no longer had a remaining useful life. The charges described below were recognized on completion of that assessment and are accordingly recorded in the three months ended June 30, 2026.

As a result of the termination of the license and manufacturing arrangements between the Company and MedeSol, the Company does not expect to manufacture any blends on which a royalty would be payable to MedeSol, and the royalty credit of \$35,833 recorded as a prepaid royalty is therefore no longer recoverable. The Company wrote off the prepaid royalty in full during the three months ended June 30, 2026 and recognized a charge of \$35,833, which is presented within other income (expense) in the statements of operations. No royalties were incurred or paid to MedeSol during either of the three months ended June 30, 2026 or the fiscal years ended March 31, 2026 and 2025.

The intangible assets recognized in respect of the MedeSol arrangements comprise licensed rights rather than owned intellectual property. Following the termination of those arrangements, the Company determined that the carrying amount of those assets was not recoverable and that the assets no longer have a remaining useful life. The Company therefore recognized an impairment charge of \$332,576 during the three months ended June 30, 2026, reducing the carrying amount of those intangible assets to \$nil, and ceased amortization of those assets. See Note 8.

NOTE 6 – INTANGIBLE ASSETS SALE AGREEMENT

On December 22, 2025, the Company entered into and completed an Intellectual Property Purchase Agreement with General Enterprise Ventures, Inc. ("GEVI") pursuant to which the Company sold a defined group of intellectual property assets relating to its structural and wildfire fire-prevention technologies, originally acquired from GS Capital Blends (re: Note 5). The transaction consideration consisted of \$100,000 in cash and 220,000 shares of GEVI common stock. At closing, the Company executed a separate Intellectual Property Assignment transferring all right, title, and interest in the specified intellectual property assets to GEVI, including associated formulations, documentation, and related rights of action. The sale included a mutual release of claims related to the conveyed intellectual property and customary representations, warranties, and indemnification provisions. As part of the transaction, the Company agreed not to compete in the transferred structural and wildfire-related categories within the United States, Canada, and Mexico. The Company retained ownership of its remaining stabilized halogen oxidizer, SiO₂ coating, and other fire-inhibitor chemistries outside the transferred categories. The cash consideration and the common shares were both received during the fiscal year ended March 31, 2026.

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NOTE 6 – INTANGIBLE ASSETS SALE AGREEMENT (Continued)

Intellectual Property Assignment:

Cost of Intangible asset	\$ 500,000
Accumulated amortization on intangible asset	<u>(89,658)</u>
Book value of intangible asset	410,342
Consideration:	
Proceeds received in cash	100,000
220,000 shares of CitroTech Inc. (formerly General Enterprise Ventures Inc.) (NYSE American: CITR)	<u>1,775,400</u>
Total consideration	<u>1,875,400</u>
Gain on sale of intangible asset agreement	<u>\$ 1,465,058</u>

NOTE 7 – MARKETABLE EQUITY SECURITIES

On December 22, 2025, pursuant to an intangible asset sale agreement (see Note 6), the Company acquired 220,000 common shares of CitroTech Inc., which were initially recorded at a fair value of \$1,775,400. As of March 31, 2026, the fair value of these marketable equity securities was \$1,898,600. For the fiscal year ended March 31, 2026, the Company recognized an unrealized gain of \$123,200 from the mark-to-market adjustment, which is included in other income (expense) in the statements of operations. As of June 30, 2026, the fair value of these marketable equity securities was \$1,214,400. For the three months ended June 30, 2026, the Company recognized an unrealized loss of \$684,200 from the mark-to-market adjustment, which is included in other income (expense) in the statements of operations.

NOTE 8 – INTANGIBLE ASSETS

Intangible assets were amortized over their estimated useful life, determined to be twenty (20) years, until they were written down to \$nil during the period, as set out below:

	<u>Capitalized value, Intangible Assets</u>
Balance, March 31, 2024	\$ 825,817
Amortization	<u>(44,805)</u>
Balance, March 31, 2025	781,012
Disposal	(410,342)
Amortization	<u>(38,094)</u>
Balance, March 31, 2026	332,576
Impairment (three months ended June 30, 2026) (Note 5)	<u>(332,576)</u>
Balance, June 30, 2026	<u>\$ —</u>

During the three months ended June 30, 2026, the Company recognized an impairment charge of \$332,576 related to its intangible assets. As discussed in Note 5, following the termination of the license and manufacturing arrangements with MedeSol Global and SiO2 International Inc., the Company determined that the carrying amount of the intangible assets associated with those arrangements was no longer recoverable and that the assets had no remaining useful life. Accordingly, the Company wrote off the assets' full gross carrying value of \$396,113 and the associated accumulated amortization of \$63,537, resulting in a net impairment charge of \$332,576 and reducing the intangible assets' net carrying value to \$nil. The Company ceased amortization of the assets upon impairment.

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NOTE 9 – CONVERTIBLE NOTE

On November 23, 2022, the Company issued a convertible promissory note (the “CPN”) to a third party for gross proceeds of \$25,000. The CPN carried a six-month maturity term, bore interest at a rate of 10% per annum, and was convertible at the option of the holder, in whole or in part, into shares of the Company’s common stock. The conversion price was variable, defined as a fifty percent (50%) discount to the lowest 10-day volume-weighted average price (“VWAP”) of the Company’s common stock immediately preceding the conversion date. Effective November 23, 2022, the date of the CPN, Company recorded \$25,000 as the liability on stock settled debt which amount was amortized over the term of the notes.

On January 31, 2025, in connection with the terms and conditions of a Consolidated Amendment Agreement (see Note 5), the holder forgave the entire outstanding principal balance of \$25,000 and all accrued and unpaid interest thereon. The extinguishment of the debt and the cancellation of the associated conversion feature resulted in a gain on debt extinguishment of \$55,479, which is recognized in the statements of operations for the fiscal year ended March 31, 2025.

No interest was incurred on the convertible promissory note during the three months ended June 30, 2026 or 2025, the note having been forgiven on January 31, 2025.

NOTE 10 - RELATED PARTY TRANSACTIONS

William Eric Ottens

Mr. William Eric Ottens is our former controlling shareholder and a former officer and director.

During the three months ended June 30, 2026 and 2025, the Company accrued interest of \$88 and \$88, respectively, with no repayments to a prior advanced loan with a remaining principal balance of \$5,298. The balance of the loan outstanding including principal and accrued interest at June 30, 2026, totaled \$7,781 (March 31, 2026 - \$7,693).

Robert Gardiner

Mr. Gardiner joined the Board of Directors and became an officer on May 21, 2020. On January 12, 2026, Robert Gardiner resigned as Chief Executive officer.

During the fiscal years ended March 31, 2025 the Company paid Mr. Gardiner \$2,491 in management consulting fees. A total of \$9 remains due and payable to Mr. Gardiner at June 30, 2026 and March 31, 2026 in respect to an advance for operational expenses.

Joel Gardner

During the quarter ended December 31, 2025, the Company entered into a formal management consulting agreement (the "Consulting Agreement") with Mr. Joel Gardner. Mr. Gardner is a shareholder of GS Capital Blends LLC and 1863942 Ontario Corporation, both of which are related parties of the Company.

Under the terms of the Consulting Agreement: (1) The Company agreed and paid Mr. Gardner a retroactive management fee of \$50,000 covering the period from January 1, 2025, through December 31, 2025; (2) Following the retroactive period, Mr. Gardner is entitled to receive an annualized management fee of \$50,000. This fee structure is prorated through July 31, 2026, and the next installment is contractually payable on September 30, 2026.

For the fiscal year ended March 31, 2026, the Company recognized a total of \$62,500 in expense under this arrangement, which is included within general and administrative expenses in the statements of operations. This total consists of the \$50,000 retroactive payment plus \$12,500 in prorated fees accrued for services rendered during the first quarter of calendar year 2026.

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NOTE 10 - RELATED PARTY TRANSACTIONS (Continued)

Joel Gardner (continued)

During the three months ended June 30, 2026, the Company recognized \$12,500 of consulting fees under this arrangement, together with \$1,000 of related employer payroll costs. No amounts were recognized under this arrangement during the three months ended June 30, 2025. As of June 30, 2026 and March 31, 2026, the unpaid portion of these fees totaled \$25,000 and \$12,500, respectively, and is included within accounts payable and accrued liabilities on the balance sheets.

GS Capital Blends LLC

GS Capital Blends LLC ("GSCB"), is a company with officers, directors and shareholders in common.

The outstanding obligations due to GSCB as of June 30, 2026, and March 31, 2026, consisted of the following:

	June 30, 2026	March 31, 2026
Convertible note – related party	\$ 135,000	\$ 135,000
Advances – related parties	34,081	-
	<u>\$ 169,081</u>	<u>\$ 135,000</u>

The Company historically received non-interest-bearing working capital advances from GSCB. On December 22, 2025, the Company entered into a debt conversion agreement with GSCB to restructure \$135,000 of the outstanding advances. Under the terms of the agreement, the Company issued a new convertible note in the principal amount of \$135,000, featuring a fixed conversion price of \$0.075 per share. The remaining balance of the advances, totaling \$8,061, was not converted and was repaid in cash on January 5, 2026, leaving no balance outstanding under advances payable – related parties in respect of GSCB at March 31, 2026.

During the three months ended June 30, 2026, GSCB paid two of the Company's inventory suppliers directly on the Company's behalf and an aggregate of \$34,081 was recorded as an increase in advances payable – related parties, is unsecured, non-interest-bearing and due on demand, and remained outstanding at June 30, 2026. There were no comparable transactions during the three months ended June 30, 2025.

Intellectual Property and Technology from GSCB

As discussed in Note 5 above, during the year ended March 31, 2022, the Company issued 50,000 shares of Series D preferred stock to GS Capital Blends as consideration with respect to an agreement, and amendments thereto, for the Purchase and License of Intellectual Property, Product Lines, Manufacturing and Other Specified Assets (the "Agreement"). Under the terms of the Agreement GS Capital Blends was granted a coupon of 5% on the par value of the Acquisition shares, or \$500,000, through termination of a Lock-up on December 31, 2024. As of June 30, 2026 and March 31, 2026, the outstanding balance of accrued and unpaid coupon interest due to GS Capital Blends was \$65,411 and \$65,411, respectively.

1863942 Ontario Corporation

The outstanding obligations due to 1863942 Ontario Corporation as of June 30, 2026, and March 31, 2026, consisted of the following:

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NOTE 10 - RELATED PARTY TRANSACTIONS (Continued)

1863942 Ontario Corporation (Continued)

	June 30, 2026	March 31, 2026
Convertible note – related party	\$ 52,684	\$ 52,684
Advances – related parties	1,731	1,731
	<u>\$ 54,415</u>	<u>\$ 54,415</u>

In connection with the ratification of the divestiture of a former subsidiary, Megola Canada, effective March 31, 2018, the Company assumed unsecured, non-interest-bearing demand debt totaling \$205,184 owed to 1863942 Ontario Corporation. The entity is controlled by a shareholder of the Company who was also an officer and director of the former subsidiary. Prior to the appointment of a custodian in 2018, management verbally agreed to settle this debt through the issuance of common shares; however, no shares were issued, and the balance remained classified within “Due to Shareholder” on the balance sheets.

On November 26, 2020, the Company executed a formal, written unsecured convertible note (the "Note") with 1863942 Ontario Corporation to formalize the \$205,184 obligation. The Note bears no interest and is convertible, in whole or in part, at the option of the holder beginning five days after the issuance date into shares of the Company's common stock at a fixed conversion price of \$0.075 per share.

During the fiscal year ended March 31, 2021, the holder converted \$146,250 of principal under the Note into 1,950,000 shares of common stock (pre-reverse-split), leaving a principal balance of \$58,934. During the fiscal year ended March 31, 2022, the holder returned 650,000 shares of common stock (pre-reverse-split) to the Company's treasury. In connection with the return of these shares, the Company increased the principal balance of the Note by \$48,750 (the original conversion value of the shares), increasing the outstanding principal to \$107,684. During the fiscal year ended March 31, 2024, the holder converted \$55,000 of principal under the Note into 733,333 shares of common stock (pre-reverse-split), reducing the outstanding principal balance to \$52,684.

There was no conversion activity during the three months ended June 30, 2026 and 2025. As of June 30, 2026 and March 31, 2026, the outstanding principal balance of the Note was \$52,684.

Separately from the Note, a shareholder of 1863942 Ontario Corporation provides working capital advances to the Company for operational expenses. These advances are non-interest-bearing, uncollateralized, and due on demand.

During the fiscal year ended March 31, 2025, the shareholder advanced \$12,324 and was repaid \$7,000. During the fiscal year ended March 31, 2026, the shareholder advanced \$25,126 and was repaid \$31,051. There was no advance or repayment activity during the three months ended June 30, 2026. As of June 30, 2026 and March 31, 2026, the outstanding balance due to 1863942 Ontario Corporation was \$1,731 and \$1,731, respectively, and are included within Advances Payable – Related Parties on the balance sheets.

Mark Suchy

From time to time, Mr. Suchy, an officer and director of the Company, provides working capital advances to support the Company's operations. These advances are unsecured, non-interest-bearing, and due on demand. During the fiscal year ended March 31, 2023 and 2024, Mr. Suchy advanced \$25 and \$3,660, respectively, to the Company. During the fiscal year ended March 31, 2025, Mr. Suchy advanced a further \$1,132 to the Company and received cash repayments totaling \$4,817. As of March 31, 2025, the outstanding balance was fully settled. During the fiscal year ended March 31, 2026, Mr. Suchy advanced \$6,310 for operational expenses and was fully repaid \$6,310 during the same period. As of June 30, 2026 and March 31, 2026, the outstanding balance due to Mr. Suchy was \$0 and \$0, respectively.

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NOTE 10 - RELATED PARTY TRANSACTIONS (Continued)

Rodney Nettles

Mr. Rodney Nettles is the holder of the one (1) share of 2018 Special Series A Preferred stock, which carries the right to 51% voting control of the Company. As of June 30, 2026 and March 31, 2026, the amount due to Mr. Nettles was \$3,780 and \$3,780, respectively, and is included within Advances Payable – Related Parties on the balance sheets. There was no advance or repayment activity during the three months ended June 30, 2026 or 2025.

MedeSol Global, Inc.

During the fiscal year ended March 31, 2025 and 2024, MedeSol Global, Inc., a former shareholder of the Company which previously shared officers and directors in common with the Company, paid operating expenses for the benefit of the Company in the cumulative amount of \$9,256 and \$31,149, respectively. On January 31, 2025, MedeSol forgave the outstanding balance payable of \$40,405 under the terms of a Consolidated Amendment Agreement. (refer: Note 5). As of June 30, 2026 and March 31, 2026, the outstanding balance due to MedeSol was \$0.

Joshua Johnston

From time to time, Joshua Johnston, a former officer and director of the Company, pays operating expenses directly to third parties for the benefit of the Company. These working capital advances are unsecured, non-interest-bearing, and due on demand. Mr. Johnston paid \$92 and \$30 in operating expenses on behalf of the Company during the fiscal year ended March 31, 2026 and 2025, respectively. The Company made cash repayments totaling \$122 to Mr. Johnston during the fiscal year ended March 31, 2026. As of June 30, 2026 and March 31, 2026, the outstanding balance due to Mr. Johnston was \$0 and \$0, respectively, and are included within Advances Payable – Related Parties on the balance sheets.

Sufan Siau and Interway International Ltd.

On January 12, 2026, Mr. Sufan Siau was appointed as Chief Executive Officer and to the Board of Directors. Sufan Siau who is the Company's CEO and a member of the Board of Directors is the managing partner of Interway International Ltd.

Commercial and Agency Agreements

Effective February 18, 2026, the Company entered into an exclusive APAC Sales Agency Agreement (the "Agreement") with Interway International Ltd. ("Interway"), a Hong Kong SAR corporation, appointing Interway as

its exclusive Master APAC Agent to market, sell, distribute, sublicense, and commercialize the Company's products within the Asia-Pacific ("APAC") territory. The initial term of the Agreement is ten (10) years, with automatic successive five-year renewal periods unless terminated with 180 days' prior written notice.

Under the terms of the Agreement, financial and operational responsibilities are structured as follows:

- **Agency Fee:** Interway was required to pay the Company a one-time, non-refundable APAC Agency Fee of \$100,000 upon execution to activate the exclusive appointment. The \$100,000 was paid during the quarter ended March 31, 2026. In accordance with ASC 606, *Revenue from Contracts with Customers*, this fee is initially recorded as deferred revenue and is recognized ratably over the initial 10-year term of the Agreement.
- **Licensing Economics:** For any exclusive regional or vertical country sublicenses granted within the APAC territory, which require the Company's prior written approval, the Company is entitled to receive eighty percent (80%) of all upfront licensing fees, with Interway retaining the remaining twenty percent (20%).
- **Profit Sharing and Incentives:** The Company and Interway share the Net Profits generated from APAC operations. The base profit-sharing structure is tiered based on annual performance thresholds:
 - *Annual Net Profits up to \$5,000,000:* 90% allocated to the Company / 10% allocated to Interway.

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NOTE 10 - RELATED PARTY TRANSACTIONS (Continued)

Sufan Siau and Interway International Ltd. (Continued)

- *Annual Net Profits exceeding \$5,000,001*: 85% allocated to the Company / 15% allocated to Interway.
- *Incentives*: Interway may earn an additional 2% profit share for the first 12 months following specific country launches and an additional 1% profit share for the first 18 months of new product launches within the territory.
- **Capitalization and Variable Interest Consideration**: Interway is solely responsible for fully capitalizing its regional operations, including setup, logistics, warehousing, working capital, and regulatory compliance. The Company has no obligation to contribute capital, inventory, or credit to Interway. Management evaluated this arrangement under ASC 810, *Consolidations*, and determined that Interway is not a Variable Interest Entity (VIE) requiring consolidation, as the Company does not hold a controlling financial interest or power to direct the activities that most significantly impact Interway's economic performance.

Minimum Performance Requirements To maintain territorial exclusivity, Interway must achieve minimum annual APAC revenues of \$2,000,000 by the end of the third year and \$5,000,000 by the end of the fifth year. Failure to meet these thresholds grants the Company the right, at its sole discretion, to convert the arrangement to a non-exclusive status or terminate the Agreement upon 180 days' written notice. All intellectual property, formulas, masterblends, and global brand strategies remain 100% owned by the Company.

NOTE 11 – COMMON AND PREFERRED STOCK

On May 29, 2025, the Company's Board of Directors and its Majority Shareholder approved a reverse split of the issued and outstanding common shares of the Company on the basis of 1:30 and a decrease to the authorized shares of the Company from 3,054,000,000 to 1,554,000,000 with the authorized shares of common stock, par value \$0.001 being 1,500,000,000 and the authorized Preferred Shares, par value remaining at 54,000,000. The effective date of the reverse split upon final review by FINRA was July 29, 2025. Accordingly, all share and per share amounts for all periods presented in the accompanying financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect this reverse stock split and any adjustment of the preferred stock conversion ratios, as may be applicable.

Preferred Stock:

The Company has authorized 54,000,000 shares of Preferred Stock, at various par values, of which 200 shares are designated as Series A Preferred, 100 shares are designated as Series B Preferred, 100 shares are designated as Series C Preferred, 5,000,000 shares are designated as Series D Preferred, 5,000,000 shares are designated as Series E Preferred, 25,000,000 shares are designated as Series F Preferred, and 10,000,000 shares are designated as Series G Preferred. The Company has also designated one (1) share of 2018 Special Series of Preferred stock.

2018 Special Series A Preferred Shares:

There is one (1) share of 2018 Special Series A Preferred stock, \$0.001 par value authorized which carries the right to 51% voting control of the Company.

As of June 30, 2026 and 2025, there was one (1) share of 2018 Special Series A Preferred stock issued and outstanding.

Series A Preferred Shares:

All shares of Preferred Series "A" stock held 12 months are eligible for conversion to common stock at a conversion price set at \$0.20 per share or the value of the common stock, which shall be based on the average closing price of the common stock for the 10 consecutive days immediately prior to the date of conversion. The Company has the right to effect a mandatory conversion of the Series A Preferred stock 24 months from the date of issuance of the Series A

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NOTE 11 – COMMON AND PREFERRED STOCK (continued)

Preferred Stock (Cont'd):

Series A Preferred Shares (Cont'd):

Preferred stock, after 60 days written notice. Each Preferred Series “A” share is entitled to cast 100 votes in a shareholder meeting.

On July 19, 2021, two shareholders holding shares of Series A Preferred stock converted 1 share each and received 250 shares of common stock each (pre-reverse-split), increasing the issued and outstanding common stock of the Company by 500 shares (pre-reverse-split).

As of June 30, 2026 and March 31, 2026, there were a total of 68 shares of Series A Preferred Stock issued and outstanding.

Series B Preferred Shares:

All shares of Preferred Series “B” stock are convertible to common stock at a conversion price set at \$0.05 per share or the average closing price of the common stock for the 10 consecutive days immediately prior to the date of conversion, whichever is less. The Company has the right to effect a mandatory conversion of the Series B Preferred stock 24 months from the date of issuance, after 60 days written notice. The Series B Preferred stock has no voting rights.

As of June 30, 2026 and March 31, 2026, there were a total of 6 shares of Series B Preferred Stock issued and outstanding.

Series C Preferred Shares:

All shares of Preferred Series “C” stock held 12 months are convertible to common stock at a conversion price set at \$0.10 per share or the average closing price of the common stock for the 10 consecutive days immediately prior to the date of conversion, whichever is less. The Company has the right to effect a mandatory conversion of the Series C Preferred stock 24 months from the date of issuance, after 60 days written notice. Each Preferred Series “C” share is entitled to cast 2,000 votes in a shareholder meeting.

As of June 30, 2026 and March 31, 2026, there were a total of 8 shares of Series C Preferred Stock issued and outstanding.

Series D Preferred Shares

There is a total of 5,000,000 shares of Series D Preferred Stock authorized, \$10.00 par value, which may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6 month lock up period from the date of issuance and thereafter may be converted on the basis of 25% of the shares held by the shareholder quarterly, with no conversion resulting in the shareholder holding more than 9.99% of the issued and outstanding common stock. The shares are convertible into common stock at \$0.001 per share. The shares carry voting rights of 100 shares of common stock for each one share held. The shares have the right to receive dividends and are anti-dilutive.

As of June 30, 2026 and March 31, 2026, there were a total of 38,500 shares of Series D Preferred Stock issued and outstanding.

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NOTE 11 – COMMON AND PREFERRED STOCK (Continued)

Preferred Stock (Cont'd):

Series E Preferred Shares

There is a total of 5,000,000 shares of Series E Preferred Stock authorized, \$5.00 par value, which may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6 month lock up period from the date of issuance and thereafter may be converted on the basis of 25% of the shares held by the shareholder quarterly, with no conversion resulting in the shareholder holding more than 9.99% of the issued and outstanding common stock. The shares are convertible into common stock at 35% of the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry voting rights of 10 shares of common stock for each one share held. The shares are anti-dilutive. The shares have no rights to receive dividends.

As of June 30, 2026 and March 31, 2026, there were no shares issued and outstanding.

Series F Preferred Shares

There is a total of 25,000,000 shares of Series F Preferred Stock authorized, \$1.00 par value which may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6-month lock-up period from the date of issuance and thereafter may be converted into common stock and may be fully converted after 12 months of issuance. The shares are convertible into common stock at a 25% discount to the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry no voting rights. The shares are anti-dilutive. The shares have no right to receive dividends.

As of June 30, 2026 and March 31, 2026, there were 0 shares of Series F Preferred Stock issued and outstanding.

Series G Preferred Shares

There is a total of 10,000,000 shares of Series G Preferred Stock authorized, \$1.00 par value which may only be issued at the direction of the Board of Directors and with the consent of a majority of the shareholders of the Company. The shares when issued have a 6-month lock-up period from the date of issuance and thereafter may be converted into common stock and may be fully converted after 12 months of issuance. The shares are convertible into common stock at 50% of the 21-day average closing price of the common stock of the Company or \$0.0025 per share, whichever is higher. The Company may elect a mandatory conversion of the stock into common shares, cash or a combination of cash and common stock after five years from the date of issuance. The shares carry no voting rights. The shares are anti-dilutive. The shares have no rights to receive dividends.

As of June 30, 2026 and March 31, 2026, there were no shares issued and outstanding.

Common stock:

The Company has authorized 1,500,000,000 shares of Common Stock, \$0.001 par value.

On May 7, 2024, the Company filed a Registration Statement on Form 1-A with the Securities and Exchange Commission (“SEC”) with respect to the offering of a total of 13,333,333 shares of Common Stock at \$0.75 per share for total gross proceeds of up to \$10,000,000 (the “Offering”). The Offering received notice of qualification from the SEC on June 12, 2024. The Company did not sell any shares under this Offering and the Offering has closed.

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NOTE 11 – COMMON AND PREFERRED STOCK (Continued)

Common Stock (Cont'd):

There were a total of 9,729,304 shares of common stock issued and outstanding as of June 30, 2026 and March 31, 2026.

NOTE 12 – OTHER EVENTS

Winner Medical Co., Ltd.

On September 27, 2024, the Company entered into a Product Evaluation Collaboration Letter with Winner Medical Co., Ltd. ("Winner Medical"), a company based in Shenzhen, China, and traded on the Shenzhen Stock Exchange under the symbol 300888.SZ. The collaboration follows positive feedback received from the evaluation of an initial batch of samples provided by the Company. The Company will engage with Winner Medical in a manufacturing trial and performance evaluation of the Company's Odor Control Super Absorbent Polymers ("Treated SAP") for potential use in two of Winner Medical's product lines—adult incontinence diapers and feminine hygiene pads (the "Collaboration"). The purpose of the Collaboration is to assess the applicability and performance of the Company's ultra-long-lasting Treated SAP in the healthcare market. As part of this collaboration, the Company's scientists have worked alongside Winner Medical's research and development team to develop a detailed testing plan and conduct analysis of the testing results. Winner Medical was tasked with integrating the Company's Treated SAP into its manufacturing process to produce articles of the Products for human subject evaluation. Due to a reduction in Winner's time-availability to advance the project on the original timeline, the Company has shifted its strategy and is now working with its Asia-Pacific licensing partner, currently in active negotiations to assume all commercial dialogue with Winner and to engage additional SAP and zeolite-coating manufacturers across the region.

Kane & McHenry Enterprises

On August 7th, 2024, The Company executed a Supply and Distribution Agreement with Kane & McHenry Enterprises for the non-exclusive distribution of the Company's mobile device protection formulation. Kane & McHenry Enterprises sells their products under their own brand names into over 5,000 wireless stores in the United States as well as other channels globally. The Company shipped its first order to Kane & McHenry on October 1, 2024. This customer was referred to the Company as part of the Liquidnano Customer Referral Agreement, however, Liquidnano was out of business and ultimately dissolved during November 2024, thus eliminating the obligation to pay any fees to Liquidnano.

On November 7, 2025, the Company executed an MOU for the proposed acquisition of Kane & McHenry LLC. The MOU provided a period of 90 days for due diligence and entry into a formal acquisition agreement. The Company declined to assume potential liabilities identified during diligence. The Company further proposed multiple alternative commercial structures to preserve the relationship; none were accepted. The last order from Kane & McHenry was shipped October 15, 2025. While under the MOU the Company agrees to sell product to Kane & McHenry LLC for a period of 12 months from November 7, 2025, there have been no further orders placed by Kane & McHenry LLC. The Company is advancing new U.S. and APAC distribution pathways for its SiO₂ liquid-glass and newly developed solvent-free polycarbonate coating platform designed for sunglasses, sports goggles, safety eyewear, and face shields.

Board of Directors and Advisory Board

On January 12, 2026, Robert Gardiner, the Company's CEO resigned as Chief Executive officer and Paul Cohen resigned from the Board of Directors of the Company. Mr. Sufan Siau was appointed as Chief Executive Officer and to the Board of Directors.

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NOTE 13 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through August 14, 2026, the date these financial statements were available to be issued, and determined that there are no subsequent events requiring disclosure.