

Pharmagreen Biotech Inc.

112 North Curry Street
Carson City, Nevada 89703

(702) 803 - 9404
www.pharmagreen.ca
infor@pharmagreen.ca

Annual Report

For the period ending SEPTEMBER 30, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

663,645,739 as of November 25, 2025 *(More Recent Date)*

663,645,739 as of September 30, 2025 *(Most Recent Completed Fiscal Year End)*

663,645,739 as of June 30, 2025 *(Third Reporting Period)*

663,645,739 as of March 31, 2025 *(Second Quarter Reporting Period)*

663,645,739 as of December 31, 2024 *(First Quarter Reporting Period Date)*

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:

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.

Current Name: Pharmagreen Biotech Inc. Name change as of May 8, 2018 to Present;
Former Name: Air Transport Group Holdings Inc. Articles of Merger, name change as of Oct 30, 2008 to May 8, 2018;
Air Transport Group Holdings Inc. Incorporation on October 16, 2008;
Azure International Inc. Incorporation on November 26, 2007

Current State and Date of Incorporation or Registration: State of Nevada; November 26, 2007

Standing in this jurisdiction: (e.g. active, default, inactive): Active

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

N/A

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:

NONE

Address of the issuer's principal executive office:

2987 Blackbear Court, Coquitlam, British Columbia, Canada V3E 3A2

Address of the issuer's principal place of business:

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

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.

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: TRANSHARE CORPORATION
Phone: 303-662-1117
Email: info@transhare.com
Address: 17755 US Highway 19 N, Suite 140, Clearwater, FL 33764

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>PHBI</u>
Exact title and class of securities outstanding:	<u>COMMON VOTING</u>
CUSIP:	<u>71716C109</u>
Par or stated value:	<u>\$0.001</u>
Total shares authorized:	<u>2,000,000,000</u> as of date: <u>September 30, 2025</u>
Total shares outstanding:	<u>663,645,739</u> as of date: <u>September 30, 2025</u>
Total number of shareholders of record:	<u>218</u> as of date: <u>September 30, 2025</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.

Exact title and class of the security:	<u>PREFERRED, VOTING</u>
Par or stated value:	<u>\$0.001</u>
Total shares authorized:	<u>1,000,000</u> as of date: <u>September 30, 2025</u>
Total shares outstanding:	<u>10,000</u> as of date: <u>September 30, 2025</u>
Total number of shareholders of record:	<u>1</u> as of date: <u>September 30, 2025</u>

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

NONE

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.

Subject to special voting rights or restrictions attached to a class of shares, each shareholder shall be entitled to one vote for each share of stock issued in his or her own name or the books of the corporation whether represented in person or by proxy. Dividends may be declared and paid out of any funds available 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.

On October 14, 2020 the Company designated 10,000 preferred shares as Series A Super Voting Preferred Stock. A Super Voting Preferred Stock has the following rights and restrictions:

Dividends – Initially, there will be no dividends due or payable on a Series A Super Voting Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation's Certificate of Incorporation. Any and all future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

Liquidation and Redemption Rights – Upon the occurrence of a Liquidation Event, the holders of Series A Super Voting Preferred Stock are entitled to receive net assets on a pro-rata basis. Each holder of Series A Super Voting Preferred Stock is entitled to receive ratably any dividends declared by the Board, if any, out funds legally available for the payment of dividends.

Rank – All shares of the Series A Super Voting Preferred shall rank (i) senior to the Corporation's Common Stock, par value \$0.001 per share ("Common Stock"), and any other class or series of capital stock of the Corporation hereafter created, except as otherwise provided in clauses (ii) and (iii) of this Section 4, (ii) pari passu with any class or series of capital stock of the Corporation hereafter created and specifically ranking by its terms, on par with the Series A Super Voting Preferred Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series A Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation whether voluntary or involuntary.

Voting Rights – If at least one share of Series A Super Voting Preferred stock is issued and outstanding then the total aggregate issued shares of Series A Super Voting Preferred Stock at any given time, regardless of their number, shall have voting rights equal to twenty (20) times the sum of i) the total number of shares of Common Stock which are issued and outstanding at the time of voting plus ii) the total number of shares of all Series of Preferred stocks which are issued and outstanding at the time of voting.

With respect to all matters upon which stockholders are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of Series A Super Voting Preferred stock shall vote together with the holders of Common Stock without regard to class, except as those matters on which separate class voting is required by applicable law or the Certificate of Incorporation or By-Laws.

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

NONE

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.

NONE

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>			*Right-click the rows below and select "Insert" to add rows as needed.						
Date <u>09/30/2023</u> Common: <u>573,460,969</u> Preferred: <u>10,000</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>Oct 05/23</u>	<u>New Issuance</u>	<u>28,600,000</u>	<u>Common</u>	<u>\$0.000268</u>	<u>Yes</u>	<u>Janbella Group, LLC (Bill Alessi)</u>	<u>Note payable conversion</u>	<u>Unrestricted</u>	<u>Rule 144</u>

<u>Oct 19/23</u>	<u>New Issuance</u>	<u>30,042,800</u>	<u>Common</u>	<u>\$0.000173</u>	<u>Yes</u>	<u>Janbella Group, LLC (Bill Alessi)</u>	<u>Note payable conversion</u>	<u>Unrestricted</u>	<u>Rule 144</u>
<u>Oct 27/23</u>	<u>New Issuance</u>	<u>31,541,970</u>	<u>Common</u>	<u>\$0.0001725</u>	<u>Yes</u>	<u>Janbella Group, LLC (Bill Alessi)</u>	<u>Note payable conversion</u>	<u>Unrestricted</u>	<u>Rule 144</u>
Shares Outstanding on Date of This Report:									
Ending Balance:									
Date <u>09/30/25</u>	Common: <u>663,645,739</u> Preferred: <u>10,000</u>								

Example: A company with a fiscal year end of December 31st 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

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

NONE

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 Issued Upon Conversion ⁶	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)
Jan 22/20	78,750	178,659	Jan 22/21	The principle & interest will be converted into shares of common stock equal to 65% of lowest trading prices with a 20 day look back	NIL	249,873,000	LG Capital Funding LLC (Joseph Leman)	Loan
Jan 14/20	78,000	103,970	Feb 20/21	Conversion Rights & privileges waived by lender	1,939,700	Nil	Crown Bridge Partners LLC (Seth Ahdoot)	Loan
Jan 18/22	30,000	40,685	Jan 18/23	Conversion price to be at a price per common share equal to the closing price on the day of receipt of notice of conversion.	NIL	23,932,000	Trevor Burns	Loan
Apr 04/18	32,485	27,068	Apr 04/28	Notes are convertible in whole or in part into common shares at any time at a price of \$0.0001 per share	54,170,000	270,680,000	B Walczykowski	Loan
Total Outstanding Balance:		350,382	Total Shares:		56,109,700	544,485,000		

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

Potential shares to be issued on conversion based on stock market at close on November 25, 2025

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.

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")

Pharmagreen Biotech Inc. (the "Company") was incorporated under the laws of the State of Nevada on November 26, 2007. The Company is headquartered in Coquitlam, British Columbia. The Company's mission is to advance the technology of tissue culture science and to provide the highest quality 100% germ free, disease free and all genetically the same plantlets of high CBD hemp and other flora and offering full spectrum DNA testing for plant identification, live genetics preservation using low temperature storage for various cannabis and horticulture plants; extraction of botanical oils mainly CBD oil, and to deliver laboratory based services to the North American high CBD hemp, Cannabis and agriculture sectors.

In 2021, the Company had changed its business development from Canada to the United States, as it was determined that the opportunities in the hemp and cannabis industries were much greater in the United States, specifically California.

On July 25, 2021, the Company entered into a Memorandum of Understanding ("MOU") to acquire all the assets and cannabis operations (includes 12 acres property, structure and cannabis licenses, and existing sales channels and distribution networks) from a private company situated in Northern California. Upon reaching a definitive agreement, the Company intended to further develop a state-of-the-art flowering greenhouses of approximately 12,000 square feet or the maximum allowed by California State and Regional County. The Company also had an option from the seller to acquire an additional 120 acres or more of land for business expansion and development.

In 2022, the Cannabis market in California entered a regression stage with prices for the raw material dropping below production costs including greatly diminished demand for sun grown raw material. Because of the current state of the Cannabis market in California, the Company terminated the definitive MOU process during the first half of 2023. The project is no longer being pursued.

Focusing on immediate revenues, the Company has been and currently formulating its nutraceutical products from blends of therapeutic plants and fungi. Utilizing the Company's expertise in plant genetics, Pharmagreen's transgenic program uses the newest technology available to research and create nutraceuticals for daily supplements with the potential to help, support and improve human lives, and to address a wide variety of ailments.

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

WFS Pharmagreen inc., incorporated in the Province of British Columbia, Canada, is a wholly owned subsidiary of Pharmagreen Biotech Inc. Its purpose was to become a licensed grower under the Cannabis Act and Regulations in Canada and manage the Cannabis Biotech Complex operation at Deroche, B. C. These plans are no longer being pursued. The Company currently is inactive. The CEO and Director is Peter Wojcik, the CFO is Terry Kwan.

1155097 BC Ltd., incorporated in the Province of British Columbia, Canada is a 90% owned subsidiary of WFS Pharmagreen INC. The Company was set up to build and own the assets of the Cannabis Biotech Complex at Deroche, British Columbia. The project is no longer being pursued. The Company is currently inactive. Peter Wojcik is the CEO and a Director and Dennis Petke is a Director.

C. Describe the issuers' principal products or services.

Pharmagreen Biotech Inc. is developing its line of nutraceutical products which is a proprietary blend of therapeutic plants and mushrooms. Pharmagreen's first new product, MaxGenomic™ Supplement, is a proprietary blend, formulated in the U.S.A., of nine medicinal mushrooms and six medical plants to help support the human mind and body. This supplement is produced in a cGMP facility, in enteric capsules to enhance the bioavailability of the MaxGenomic™ supplement. This product is currently marketed and available through online stores such as Amazon and Shopify. Other nutraceutical products are in various development stages and will be made sold through the online stores as they become available.

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 Company uses a third party GMP facility in the United States to manufacture its products and then the inventory is drop shipped to another U. S. third party for storage and sales distribution. The Company does not lease or own properties or any production facilities. The issuer's principal administrative office is in Coquitlam, British Columbia, Canada. The Company is using an office facility that is owned by the Sole Director and CEO of PHBI for no compensation.

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)
Peter Wojcik	CEO, President, Sole Director	Coquitlam, BC Canada	35,077,500	Common	5.286%
Peter Wojcik	CEO, President, Sole Director	Coquitlam, BC Canada	10,000	Preferred	100%

Terry Kwan	CFO of WFS Pharmagreen Inc, a wholly owned subsidiary	Surrey, BC Canada	5,000,000	Common	0.753%

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);

NO/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;

NO/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;

NO/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

NO/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.

NO/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.

NO/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: NEWLAN & NEWLAN
Address 1: Suite 107 – 762, 2201 Long Prairie Road
Address 2: Flower Mound, TX 75002
Phone: 940-367-6154
Email: eric@newland.com

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): @pharmagreeninc
Discord: _____
LinkedIn: _____
Facebook: pharmagreen biotech inc

[Other] _____

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: Ron McIntyre
Firm: _____
Nature of Services: Consultant on Regulatory Filings
Address 1: 1535 Theta Court
Address 2: North Vancouver, BC, Canada
Phone: 604-726-0640
Email: rsm1636@telus.net

9) Disclosure & Financial Information

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

Name: Peter Wojcik & Terry Kwan
Title: CEO, President / No Title
Relationship to Issuer: Officer of PHBI / CFO of WFS Pharmagreen Inc, a wholly owned subsidiary

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: Terry Kwan
Title: NONE
Relationship to Issuer: CFO of WFS Pharmagreen Inc., a wholly owned subsidiary
Describe the qualifications of the person or persons who prepared the financial statements:⁷ CPA-CA designation

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.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Peter Wojcik certify that:

1. I have reviewed this Disclosure Statement for September 30, 2025 of Pharmagreen Biotech 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.

Nov 25, 2025 [Date]

/s/Peter Wojcik [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Accountant:

I, Terry Kwan certify that:

1. I have reviewed this Disclosure Statement for September 30, 2025 of Pharmagreen Biotech 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.

Nov 25, 2025 [Date]

/s/Terry Kwan [Principal Accountant's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

PHARMAGREEN BIOTECH INC.

Consolidated Financial Statements

For the Year Ended September 30, 2025

(Expressed in U.S. Dollars)

(Unaudited)

The accompanying unaudited consolidated financial statements have been prepared by Management of Pharmagreen Biotech Inc. and have not been reviewed by the Company's auditors.

PHARMAGREEN BIOTECH INC.

Consolidated Balance Sheets

(Expressed in U.S. dollars)

(Unaudited)

	September 30, 2025 \$	September 30, 2024 \$
Assets		
Current assets		
Cash	721	276
Amounts receivable	602	585
Inventory (Note 3)	6,020	7,970
Prepaid expense	200	–
Total current assets	7,543	8,831
Promissory note receivable (Note 4)	–	88,850
Total assets	7,543	97,681
Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable and accrued liabilities (Notes 5, 6 and 9)	1,101,763	991,290
Advances from Alliance Growers Corp. (Note 13(a))	–	55,519
Loans payable (Note 6)	130,250	129,711
Loans payable to related parties (Note 9)	89,523	–
Convertible notes (Note 7)	135,818	135,818
Derivative liabilities (Notes 7 and 8)	197,662	894,892
Due to related parties (Note 9)	1,030,372	933,970
Total current liabilities	2,685,388	3,141,200
Loans payable to related parties (Note 9)	–	90,714
Total liabilities	2,685,388	3,231,914
Stockholders' deficit		
Preferred stock		
Authorized: 1,000,000 shares, \$0.001 par value; 10,000 shares issued and outstanding (Note 11)	10	10
Common stock		
Authorized: 2,000,000,000 shares, \$0.001 par value; 663,645,739 shares issued and outstanding (Note 10)	663,646	663,646
Additional paid-in capital (Note 10)	10,320,403	10,320,403
Accumulated other comprehensive income	126,546	76,521
Accumulated deficit	(13,741,706)	(14,148,069)
Total Pharmagreen Biotech Inc. stockholders' deficit	(2,631,101)	(3,087,489)
Non-controlling interest	(46,744)	(46,744)
Total stockholders' deficit	(2,677,845)	(3,134,233)
Total liabilities and stockholders' deficit	7,543	97,681

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

PHARMAGREEN BIOTECH INC.

Consolidated Statements of Operations and Comprehensive Income (Loss)

(Expressed in U.S. dollars)

(Unaudited)

	Year ended September 30, 2025 \$	Year ended September 30, 2024 \$
Revenues	2,388	3,410
Cost of sales	(2,788)	(1,674)
Gross profit (loss)	(400)	1,736
Expenses		
Advertising and promotion	1,474	8,393
Consulting fees (Note 9)	171,629	199,690
Foreign exchange loss	12,098	173
General and administrative	16,443	26,890
Professional fees	11,697	14,332
Salaries and wages	–	613
Total expenses	213,341	250,091
Net loss before other income (expenses)	(213,741)	(248,355)
Other income (expense)		
Forgiveness of convertible debt	–	239
Gain (loss) on change in fair value of derivative liabilities (Note 8)	697,230	(725,117)
Gain on settlement of convertible note	–	2,045
Interest and finance costs (Notes 6 and 7)	(41,909)	(33,246)
Write-off of accounts payable	53,633	–
Write-off of notes receivable	(88,850)	–
Total other income (expense)	620,104	(756,079)
Net income (loss)	406,363	(1,004,434)
Less: net loss attributable to non-controlling interest	–	35
Net income (loss) attributable to Pharmagreen Biotech Inc.	406,363	(1,004,399)
Comprehensive income (loss)		
Foreign currency translation income (loss)	50,025	755
Comprehensive income (loss) attributable to Pharmagreen Biotech Inc.	456,388	(1,003,644)
Basic income (loss) per share attributable to Pharmagreen Biotech Inc. stockholders	0.00	(0.00)
Diluted income (loss) per share attributable to Pharmagreen Biotech Inc. stockholders	0.00	(0.00)
Weighted average number of shares outstanding - Basic	663,645,739	659,368,563
Weighted average number of shares outstanding - Diluted	1,318,584,850	659,368,563

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

PHARMAGREEN BIOTECH INC.
Consolidated Statements of Stockholders' Deficit
(Expressed in U.S. dollars)
(Unaudited)

	Preferred stock		Common stock		Additional paid- in capital	Accumulated other comprehensive income	Accumulated deficit	Non -controlling interest	Total stockholders' deficit
	Number of shares	Amount \$	Number of shares	Amount \$					
Balance, September 30, 2023	10,000	10	573,460,969	573,461	10,359,777	75,766	(13,143,670)	(46,709)	(2,181,365)
Issuance of common stock pursuant to the conversion of convertible notes	–	–	90,184,770	90,185	(39,374)	–	–	–	50,811
Foreign currency translation gain	–	–	–	–	–	755	–	–	755
Net loss for the year	–	–	–	–	–	–	(1,004,399)	(35)	(1,004,434)
Balance, September 30, 2024	10,000	10	663,645,739	663,646	10,320,403	76,521	(14,148,069)	(46,744)	(3,134,233)
Foreign currency translation gain	–	–	–	–	–	50,025	–	–	50,025
Net loss for the year	–	–	–	–	–	–	406,363	–	406,363
Balance, September 30, 2025	10,000	10	663,645,739	663,646	10,320,403	126,546	(13,741,706)	(46,744)	(2,677,845)

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

PHARMAGREEN BIOTECH INC.
Consolidated Statements of Cash Flows
(Expressed in U.S. dollars)
(Unaudited)

	Year ended September 30, 2025 \$	Year ended September 30, 2024 \$
OPERATING ACTIVITIES		
Net income (loss)	406,363	(1,004,434)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Accrued interest and financing costs	41,909	1,795
Gain on settlement of convertible note	–	(2,045)
Gain on change in fair value of derivative liabilities	(697,230)	725,117
Write-off of loan receivable	88,850	–
Write-off of advances from Alliance Growers Corp.	(53,634)	–
Changes in non-cash operating assets and liabilities:		
Amounts receivable	(17)	23
Prepaid expenses and deposits	(200)	22,081
Inventory	1,950	804
Accounts payable and accrued liabilities	94,338	127,831
Due to related parties	94,367	100,742
Net cash used in operating activities	(23,304)	(28,086)
FINANCING ACTIVITIES		
Proceeds from loans and advances from related party	28,895	28,699
Repayment of loans and advanced from related parties	–	(147)
Net cash provided by financing activities	28,895	28,552
Effect of foreign exchange rate changes on cash	(5,146)	(1,444)
Change in cash	445	(978)
Cash, beginning of year	276	1,254
Cash, end of year	721	276
Non-cash investing and financing activities:		
Issuance of common stock pursuant to conversion of convertible notes and accrued interest	–	50,811
Supplemental disclosures:		
Interest paid	–	–
Income taxes paid	–	–

(The accompanying notes are an integral part of these unaudited consolidated financial statements)

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

1. Nature of Business and Continuance of Operations

Pharmagreen Biotech Inc. (“the Company”) was incorporated under the laws of the State of Nevada, U.S. on November 26, 2007, under the name Azure International, Inc. On October 30, 2008, and effective as of the same date, the Company filed Articles of Merger (“Articles”) with the Secretary of State of the State of Nevada, to effect a merger by and between Air Transport Group Holdings, Inc., a Nevada corporation and Azure International, Inc. As a result of the merger, the Company changed its name to Air Transport Group Holdings, Inc. The Company was previously in the business of providing technical advisory and appraisals to the aircraft and aviation business as well as providing sourcing for aircraft leases and parts. Pursuant to a Share Exchange Agreement with WFS Pharmagreen Inc. (“WFS”) on May 2, 2018, the Company changed its name to Pharmagreen Biotech Inc. and changed its principal business to the production of starter plantlets for the North American high CBD hemp and medical cannabis industries through the application of the proprietary plant tissue culture in vitro process called “Chibafreen”. This proprietary process will produce plantlets that will be genetically identical and free of pests and disease free with consistent and certifiable constituent properties. In 2022, the cannabis market in California and other states entered into a regression stage with the prices of the sun grown raw materials dropping below production costs including diminished demand for the sun grown material. Focusing on immediate revenues since Q2 2023, the Company has transitioned into a nutraceutical company formulating products from blends of therapeutic plants and fungi for sale.

Going Concern

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at September 30, 2025, the Company has earned insignificant revenues from operations, has a working capital deficit of \$2,677,845, and has an accumulated deficit of \$13,741,706. During the year ended September 30, 2025, the Company had cash outflows for operations of \$23,304. Furthermore, the Company has defaulted on its convertible notes. These factors raise substantial doubt upon the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

(a) Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”) and are expressed in U.S. dollars. These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, WFS Pharmagreen Inc. (“WFS”), and its 89.7% owned subsidiary 1155097 BC Ltd. (“115BC”), companies incorporated in British Columbia, Canada. All inter-company accounts and transactions have been eliminated. The Company’s fiscal year-end is September 30.

(b) Use of Estimates and Judgments

The preparation of these consolidated financial statements in conformity with US 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the equity component of convertible notes, fair value of derivative liabilities, fair value of stock-based payments, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience, and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company’s estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(b) Use of Estimates and Judgments (continued)

The Company applies judgment in the application of the going concern assumption which requires management to take into account all available information about the future, which is at least, but not limited to 12 months from the end of the reporting period.

(c) Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of issuance to be cash equivalents.

(d) Property and Equipment

Property and equipment is measured at cost less accumulated depreciation, residual values, and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for the intended use and borrowing costs on qualifying assets. During their construction, items of property, plant, and equipment are classified as construction in progress. When the asset is available for use, it is transferred from construction in progress to the appropriate category of property, plant, and equipment and depreciation on the item commences.

The Company capitalizes borrowing costs on capital invested in projects under construction. Upon the asset becoming available for use, capitalized borrowing costs, as a portion of the total cost of the asset, are depreciated over the estimated useful life of the related asset.

(e) Long-lived Assets

In accordance with ASC 360, "*Property, Plant and Equipment*", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value, which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

(f) Fair Value Measurements

The Company measures and discloses the estimated fair value of financial assets and liabilities using the fair value hierarchy prescribed by US GAAP. The fair value hierarchy has three levels, which are based on reliable available inputs of observable data. The hierarchy requires the use of observable market data when available.

The three-level hierarchy is defined as follows:

Level 1 – quoted prices for identical instruments in active markets.

Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations in which significant inputs and significant value drivers are observable in active markets; and.

Level 3 – fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(f) Fair Value Measurements (continued)

Financial instruments consist principally of cash, amounts receivable, accounts payable and accrued liabilities, advances from Alliance Growers Corp., amounts due to related parties, loans payable, convertible notes and derivative liabilities. The fair value of cash is determined based on Level 1 inputs and the fair value of derivative liabilities is determined based on Level 3 inputs. The recorded values of all other financial instruments, with the exception of non-current convertible notes, approximate their current fair values because of their nature and respective relatively short maturity dates or durations. Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following table presents assets and liabilities that are measured and recognized at fair value as of September 30, 2025, and 2024, on a recurring basis:

September 30, 2025

	Level 1 \$	Level 2 \$	Level 3 \$	Total gain \$
Derivative liabilities	–	–	197,662	697,230

September 30, 2024

	Level 1 \$	Level 2 \$	Level 3 \$	Total loss \$
Derivative liabilities	–	–	894,892	(725,117)

(g) Derivative Liabilities

The Company reviews the terms of convertible debt issuances to determine whether there are embedded derivative instruments, including embedded conversion options, which are required to be bifurcated and accounted for separately as derivative financial instruments. In circumstances where the host instrument contains more than one embedded derivative instrument, including the conversion option, that is required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

Bifurcated embedded derivatives are initially recorded at fair value and are then revalued at each reporting date with changes in the fair value reported as non-operating income or expense. When the equity or convertible debt instruments contain embedded derivative instruments that are to be bifurcated and accounted for as liabilities, the total proceeds received are first allocated to the fair value of all the bifurcated derivative instruments. The remaining proceeds, if any, are then allocated to the host instruments themselves, usually resulting in those instruments being recorded at a discount from their face value. The discount from the face value of the convertible debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to interest expense.

The Company has adopted a sequencing approach to allocating its authorized and unissued shares when the number of such shares is insufficient to satisfy all convertible instruments or option type contracts that may be settled in shares. Specifically, the Company allocates its authorized and unissued shares based on the inception date of each instrument, with shares allocated first to those instruments with the earliest inception dates. Instruments with later inception dates for which no shares remain to be allocated are reclassified to asset or liability.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(h) Foreign Currency Translation

The Company's functional and reporting currency is the U.S. dollar. Transactions may occur in foreign currencies and management has adopted ASC 830, "*Foreign Currency Translation Matters*". Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated at rates of exchange in effect at the date of the transaction. Average monthly rates are used to translate revenues and expenses. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the consolidated statement of operations. The Company uses the current rate method to translate the accounts of its wholly-owned subsidiary into U.S. dollars. Monetary assets and liabilities are translated at the exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates for the period. The resulting exchange gains or losses are recognized in accumulated other comprehensive income.

(i) Sequencing Policy

Under ASC 815-40-35, the Company has adopted a sequencing policy whereby, in the event that reclassification of contracts from equity to assets or liabilities is necessary pursuant to ASC 815 due to the Company's inability to demonstrate it has sufficient authorized shares as a result of certain securities with a potentially indeterminable number of shares, shares will be allocated on the basis of the earliest issuance date of potentially dilutive instruments, with the earliest grants receiving the first allocation of shares. Pursuant to ASC 815, issuance of securities to the Company's employees or directors are not subject to the sequencing policy.

(j) Revenue Recognition

The Company generates revenues from its proprietary blend of therapeutic plants and fungi, a nutraceutical wellness product.

The Company accounts for its revenue transactions under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC Topic 606"). In accordance with ASC Topic 606, the Company recognizes revenues when its customers obtain control of its product for an amount that reflects the consideration it expects to receive from its customers in exchange for that product. To determine revenue recognition for contracts that are determined to be in scope of ASC Topic 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies the performance obligation. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. Once the contract is determined to be within the scope of ASC Topic 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when such performance obligation is satisfied.

The transaction price is based on the consideration that the Company expects to receive in exchange for its products and includes the fixed per-unit price of the product and variable consideration in the form of trade credits, vouchers, and rebates. The per-unit price is based on the Company's established wholesale acquisition cost less a contractually agreed upon distributor discount with the customer.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

2. Significant Accounting Policies (continued)

(k) Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718, “*Compensation – Stock Compensation*”, using the fair value method. All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The Company uses the Black-Scholes option pricing model to calculate the fair value of stock-based awards. This model is affected by the Company’s stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company’s expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the consolidated statement of operations and comprehensive loss over the requisite service period.

(l) Loss Per Share

The Company computes loss per share in accordance with ASC 260, “*Earnings per Share*” which requires presentation of both basic and diluted earnings per share (“EPS”) on the face of the income statement. Basic EPS is computed by dividing the loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As at September 30, 2025, there were 1,318,584,850 (2024 – 1,189,080,503) potentially dilutive shares outstanding.

(m) Comprehensive Loss

ASC 220, “*Comprehensive Income*” establishes standards for the reporting and display of comprehensive income and its components in the consolidated financial statements. As at September 30, 2025, and 2024, comprehensive loss consists of foreign currency translation gains and losses.

(n) Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, “*Income Taxes*”. The asset and liability method provides that deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carryforwards. Deferred income tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred income tax assets to the amount that is believed more likely than not to be realized. As of September 30, 2025, the Company did not have any amounts recorded pertaining to uncertain tax positions.

The Company files federal and provincial income tax returns in Canada and federal, state and local income tax returns in the U.S., as applicable. The Company may be subject to a reassessment of federal and provincial income taxes by Canadian tax authorities for a period of three years from the date of the original notice of assessment in respect of any particular taxation year. In certain circumstances, the U.S. federal statute of limitations can reach beyond the standard three year period. U.S. state statutes of limitations for income tax assessment vary from state to state.

(o) Recently Adopted Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its consolidated financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

3. Inventory

Inventory consisted of finished goods held at held with third party distributors. At September 30, 2025, the carrying value of inventory was \$6,020 (2024 – \$7,970).

4. Promissory Note Receivable

On February 5, 2023, the Company terminated the Memorandum of Understanding (“MOU”) described in Note 14. The advance of \$88,850 was converted into a non-interest-bearing note which matured on September 30, 2025.

The Company determines the allowance for credit loss (“ACL”) for loan receivable based on past loan loss experience, known and inherent risks, adverse situations that may affect the borrower’s ability to repay (including the timing of future payment), and economic conditions. The process is inherently subject to significant change as it required material estimates. During the year ended September 30, 2025, the Company recognized a full allowance for credit loss of \$88,850 against the promissory note receivable. As at September 30, 2025, the carrying amount of the promissory note receivable was \$nil (2024 – \$88,850).

5. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	September 30, 2025 \$	September 30, 2024 \$
Accounts payable	892,983	799,705
Accrued interest payable	208,780	191,585
	1,101,763	991,290

6. Loans Payable

- (a) On November 22, 2019, the Company entered into a promissory note with an unrelated party for \$40,000 in connection with an equity purchase agreement. The promissory note is unsecured, was due on November 30, 2020, and bears interest on the unpaid principal balance at a rate of 10% per annum. As at September 30, 2025, the promissory note is in default and the Company has recorded accrued interest payable of \$23,418 (2024 - \$19,418), which is included in accounts payable and accrued liabilities. Refer to Note 13(b).
- (b) On April 22, 2020, the Company received a loan for Cdn\$40,000 from the Government of Canada under the Canada Emergency Business Account program (“CEBA”). These funds were interest-free until December 31, 2023, at which time the full balance became due and payable. As at September 30, 2025, the balance owing is \$31,174 (Cdn\$43,382) (2024 - \$30,634 (Cdn\$41,383)) including accrued interest payable of \$2,430 (Cdn\$3,382) (2024 - \$1,024 (Cdn\$1,383)).
- (c) As at September 30, 2025, the Company owed a loan with a principal balance of \$59,077 (2024 - \$59,077), which is unsecured, bears interest at 12% per annum and is due on demand. As at September 30, 2025, the Company has recorded accrued interest payable of \$44,894 (2024 - \$37,823), which is included in accounts payable and accrued liabilities.

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

7. Convertible Notes

- (a) On April 4, 2018, as amended on April 4, 2023, the amount of \$32,485 owed to related parties was converted to Series A convertible notes, which are unsecured, non-interest bearing, and due on April 4, 2028. These notes are convertible in whole or in part, at any time until maturity, to common shares of the Company at \$0.0001 per share. The Company evaluated the convertible notes for a beneficial conversion feature in accordance with ASC 470-20 *Debt with Conversion and Other Options*. The Company determined that the conversion price was below the closing stock price on the commitment date, and the convertible notes contained a beneficial conversion feature. The Company recognized the intrinsic value of the embedded beneficial conversion feature of \$32,485 as additional paid-in capital and reduced the carrying value of the convertible note to \$nil. The carrying value was accreted over the term of the convertible notes up to their face value. As of September 30, 2025, the carrying value of the convertible notes was \$27,068 (2024 – \$27,068).
- (b) On January 22, 2020, the Company entered into a convertible note with an unrelated party for \$78,750, of which \$9,750 was paid directly to third parties for financing costs, resulting in proceeds to the Company of \$69,000. The note was due on January 22, 2021, and bears interest on the unpaid principal balance at a rate of 10% per annum, payable in common stock, which increases to 24% per annum upon default of the note. The note may be converted at any time after the date of issuance into shares of Company's common stock at a conversion price equal to 65% of the lowest trading price during the 20-trading day period ending on the latest complete trading day prior to the conversion date. In connection with the issuance of the above convertible note, the Company evaluated the conversion option for derivative treatment under ASC 815-15, *Derivatives and Hedging*, and determined the conversion feature qualified as derivatives. The Company classified the conversion feature as a derivative liability at fair value. The initial fair value of the conversion feature was determined to be \$75,179.

The Company recognized the maximum intrinsic value of the embedded beneficial conversion feature of \$68,500, resulting in a loss on change in fair value of derivative liabilities of \$6,679, and reduced the carrying value of the convertible note to \$500. The carrying value was accreted over the term of the convertible note up to its face value.

The convertible note is currently in default. As at September 30, 2025, the carrying value of the convertible note was \$78,750 (2024 – \$78,750), the accrued interest owing is \$99,909 (2024 – \$81,009), and the fair value of the derivative liability was \$185,389 (2024 – \$879,257).

- (c) On March 11, 2022, the Company entered into a convertible note with an unrelated party for \$30,000, which was due on January 18, 2023, and bears interest on the unpaid principal balance at a rate of 10% per annum. The note may be converted at any time after the date of issuance into shares of Company's common stock at a conversion price equal to the closing price on the day of receiving the notice to convert. In connection with the issuance of the above convertible note, the Company evaluated the conversion option for derivative treatment under ASC 815-15, *Derivatives and Hedging*, and determined the conversion feature qualified as derivatives. The Company classified the conversion feature as a derivative liability at fair value. The initial fair value of the conversion feature was determined to be \$15,011, which reduced the carrying value of the convertible note to \$14,989. The carrying value was accreted over the term of the convertible note up to its face value.

On January 18, 2023, the Company failed to repay the note upon maturity and is currently in default. As of September 30, 2025, the carrying value of the convertible notes was \$30,000 (2024 – \$30,000), the accrued interest owing is \$10,685 (2024 – \$7,685), and the fair value of the derivative liability was \$12,273 (2024 – \$15,635).

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

7. Convertible Notes (continued)

- (d) On November 2, 2022, the Company entered into a secured convertible note with an unrelated party for proceeds of \$50,000. The note was due on May 1, 2023 (defaulted upon maturity) and bore a one-time interest charge of 10% automatically accrued on the issuance date. The note was convertible into shares of Company's common stock at a conversion price equal 57.5% of the average of the 3 lowest trading prices during the 15-trading day period prior to the conversion date.

During the year ended September 30, 2024, the Company issued a total of 90,184,770 shares of common stock with a fair value of \$50,811, upon the conversion of a total of \$18,289 of the principal amount and the related derivative liability of \$34,569. As a result, the Company recognized a gain of \$2,045 upon the settlement of convertible debt. In connection to the conversions, the Company incurred a total of \$997 of conversion fees which was added to the principal of the note. Upon conversion, the remaining balance of \$239 was forgiven by the debt holder.

As of September 30, 2025, the carrying value of the convertible notes was \$nil (2024 – \$nil), and the fair value of the derivative liability was \$nil (2024 – \$nil).

8. Derivative Liabilities

The embedded conversion option of the Company's convertible notes described in Note 7 contain a conversion feature that qualifies for embedded derivative classification. The fair value of this liability will be re-measured at the end of every reporting period and the change in fair value will be reported in the consolidated statement of operations as a gain or loss on change in fair value of derivative liabilities. The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liabilities:

	\$
Balance, September 30, 2023	204,344
Conversions	(34,569)
Change in fair value of embedded conversion option	725,117
Balance, September 30, 2024	894,892
Change in fair value of embedded conversion option	(697,230)
Balance, September 30, 2025	197,662

The Company uses Level 3 inputs for its valuation methodology for the embedded conversion option liabilities as their fair values were determined by using the binomial model based on various assumptions. Significant changes in any of these inputs in isolation would result in a significant change in the fair value measurement. As required, these are classified based on the lowest level of input that is significant to the fair value measurement.

The following table shows the weighted-average inputs and assumptions used in the calculations:

	Exercise price	Stock price on measurement date	Expected volatility	Risk-free interest rate	Expected dividend yield	Expected life (in years)
As at September 30, 2024	\$0.0008	\$0.0042	206%	4.73%	0%	0.25
As at September 30, 2025	\$0.0006	\$0.0010	145%	4.02%	0%	0.25

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

September 30, 2025

(Expressed in U.S. dollars)

(Unaudited)

9. Related Party Transactions

- (a) As at September 30, 2025, the Company owed \$977,555 (Cdn\$1,360,365) (2024 – \$879,562 (Cdn\$1,188,200)) to the President of the Company, which is non-interest bearing, unsecured, and due on demand. During the year ended September 30, 2025, the Company incurred consulting fees of \$85,815 (2024 – \$88,215) to the President of the Company.
- (b) As at September 30, 2025, the Company owed \$52,817 (Cdn\$73,500) (2024 – \$54,408 (Cdn\$73,500)) to the father of the President of the Company, which is non-interest bearing, unsecured, and due on demand.
- (c) As at September 30, 2025, the Company owed \$24,576 (Cdn\$34,200) (2024 – \$25,316 (Cdn\$34,200)) to a company owned by the father of the President of the Company, which is included in accounts payable and accrued liabilities. The amount due is non-interest bearing, unsecured, and due on demand.
- (d) As at September 30, 2025, the Company owed \$762,823 (Cdn\$1,061,544) (2024 – \$691,409 (Cdn\$934,024)) to a company controlled by the Chief Financial Officer of WFS, which is included in accounts payable and accrued liabilities. The amount due is non-interest bearing, unsecured, and due on demand. During the year ended September 30, 2025, the Company incurred consulting fees of \$85,814 (2024 – \$88,215) to the company controlled by the Chief Financial Officer of WFS.
- (e) As at September 30, 2025, the Company owed \$39,523 (Cdn\$55,000) (2024 – \$40,714 (Cdn\$55,000)) to the father of the President of the Company pursuant to a loan agreement dated June 1, 2022. The amount due bears interest at 10% per annum, is unsecured and due on June 1, 2026. As of September 30, 2025, the Company recognized accrued interest of \$13,189 (Cdn\$18,353) (2024 – \$9,515 (Cdn\$12,853)), which is included in accounts payable and accrued liabilities.
- (f) As at September 30, 2025, the Company owed \$50,000 (2024 - \$50,000) to the father of the President of the Company pursuant to a loan agreement dated June 1, 2022. The amount due bears interest at 10% per annum, is unsecured and due on June 1, 2026. As of September 30, 2025, the Company recognized accrued interest of \$16,685 (2024 - \$10,820), which is included in accounts payable and accrued liabilities.

10. Common Stock

Year ended September 30, 2025

There were no issuances of common stock during the year ended September 30, 2025.

Year ended September 30, 2024

- (a) On October 5, 2023, the Company issued 28,600,000 shares of common stock with a fair value of \$20,020 pursuant to the conversion of \$7,665 of a convertible debt (Note 7(d)).
- (b) On October 19, 2023, the Company issued 30,042,800 shares of common stock with a fair value of \$15,021 pursuant to the conversion of \$5,182 of a convertible debt (Note 7(d)).
- (c) On October 27, 2023, the Company issued 31,541,970 shares of common stock with a fair value of \$15,770 pursuant to the conversion of \$5,442 of a convertible debt (Note 7(d)).

PHARMAGREEN BIOTECH INC.

Notes to the Consolidated Financial Statements

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(Expressed in U.S. dollars)

(Unaudited)

11. Preferred Stock

On October 13, 2020, the Company filed a certificate of amendment to its articles of incorporation, whereby it increased the authorized capital to 2,000,000,000 shares of common stock with a par value of \$0.001 per share and 1,000,000 preferred shares with a par value of \$0.001. On October 14, 2020, the Company designated 10,000 preferred shares as Series A Super Voting Preferred Stock. The Series A Super Voting Preferred Stock has the following rights and restrictions:

Dividends - Initially, there will be no dividends due or payable on the Series A Super Voting Preferred Stock. Any future terms with respect to dividends shall be determined by the Board consistent with the Corporation's Certificate of Incorporation. Any and all such future terms concerning dividends shall be reflected in an amendment to this Certificate, which the Board shall promptly file or cause to be filed.

Liquidation and Redemption Rights - Upon the occurrence of a Liquidation Event, the holders of Series A Super Voting Preferred Stock are entitled to receive net assets on a pro-rata basis. Each holder of Series A Super Voting Preferred Stock is entitled to receive ratably any dividends declared by the Board, if any, out of funds legally available for the payment of dividends.

Rank - All shares of the Series A Super Voting Preferred Stock shall rank (i) senior to the Corporation's (A) Common Stock, par value \$0.001 per share ("Common Stock"), and any other class or series of capital stock of the Corporation hereafter created, except as otherwise provided in clauses (ii) and (iii) of this Section 4, (ii) *pari passu* with any class or series of capital stock of the Corporation hereafter created and specifically ranking, by its terms, on par with the Series A Super Voting Preferred-Stock and (iii) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, senior to the Series A Preferred Stock, in each case as to distribution of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

Voting Rights - If at least one share of Series A Super Voting Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Super Voting Preferred Stock at any given time, regardless of their number, shall have voting rights equal to 20 times the sum of: i) the total number of shares of Common stock which are issued and outstanding at the time of voting, plus ii) the total number of shares of all Series of Preferred stocks which are issued and outstanding at the time of voting.

Each individual share of Series A Super Voting Preferred Stock shall have the voting rights equal to:

- [twenty times the sum of: {all shares of Common stock issued and outstanding at the time of voting + all shares of Series A, Series A and any newly designated Preferred stock issued and outstanding at the time of voting}] Divided by:
- [the number of shares of Series A Super Voting Preferred Stock issued and outstanding at the time of voting]

With respect to all matters upon which stockholders are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of Series A Super Voting Preferred Stock shall vote together with the holders of Common Stock without regard to class, except as to those matters on which separate class voting is required by applicable law or the Certificate of Incorporation or By-laws.

Protective Provisions - So long as any shares of Series A Super Voting Preferred Stock are outstanding, the Corporation shall not, without first obtaining the unanimous written consent of the holders of Series A Super Voting Preferred Stock, alter or change the rights, preferences or privileges of the Series A Super Voting Preferred so as to affect adversely the holders of Series A Super Voting Preferred Stock.

The Company evaluated whether the preferred stock should be classified as a liability based on the guidance under ASC 480, *Distinguishing Liabilities from Equity*. The Series A Super Voting Preferred Stock are not considered mandatorily redeemable, are not settleable in a variable number of shares, and do not contain any features embedded that required a separate assessment. As a result, the Company determined the Series A Super Voting Preferred Stock were not a liability and classified the preferred stock within equity in the amount of the aggregate par value of the issued shares of preferred stock, with any excess attributed to additional paid-in capital.

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Notes to the Consolidated Financial Statements

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(Expressed in U.S. dollars)

(Unaudited)

12. Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, September 30, 2023	20,850,000	0.05
Expired	(20,850,000)	0.05
Balance, September 30, 2024 and 2025	—	—

13. Commitments and Contingency

- (a) Effective December 11, 2017, the Company entered into a binding Letter of Intent (“LOI”) with Alliance Growers Corp. (“Alliance”), whereby the Company will build a new cannabis biotech complex located in Deroche, British Columbia, through their subsidiary, 115BC. On January 25, 2019, the Company's subsidiaries WFS and 115BC entered into an option agreement with Alliance, which superseded the LOI entered into on December 11, 2017. The option agreement grants an option to Alliance to purchase 10% equity interest in 115BC for Cdn\$1,350,000 and previously granted a second option to purchase an additional 20% equity interest in 115BC for funding of 30% of the total construction and equipment costs for the biotech complex less Cdn\$1,350,000. On January 25, 2019, 115BC issued 8 shares of common stock to Alliance upon exercise of the first option for consideration of \$1,018,182 (Cdn\$1,350,008), which was recognized as additional paid-in capital. The second option expired unexercised. As at September 30, 2024, the Company received advances of \$55,519 (Cdn\$75,000) from Alliance, which was unsecured, non-interest bearing, and due on demand. During the year ended September 30, 2025, the Company determined that the advance was no longer repayable and recognized a write-off of the advance of \$53,634 (Cdn\$75,000).
- (b) On November 22, 2019, the Company entered into an equity purchase agreement with an unrelated party, whereby the third party is to purchase up to \$10,000,000 of the Company's common stock. The equity purchase agreement is effective for a term of 2 years from the effective date of the registration statement. The purchase price would be 85% of the market price. In return, the Company issued a promissory note of \$40,000 (Refer to Note 6(a)). In addition, the Company is required to pay an additional commitment fee of \$10,000, of which \$5,000 was paid upon signing the term sheet and the remaining \$5,000 is due upon completion of the first tranche of the financing.

On March 10, 2021, the noteholder filed a Notice of Motion for Summary Judgement in Lieu of Complaint (the “Notice”) with the State of New York Supreme Court, County of New York for \$40,504 plus interest at the rate of 10% per annum from January 6, 2021, plus costs. On July 31, 2021, the Notice was dismissed without prejudice by the State of New York Supreme Court. On September 23, 2021, the noteholder filed a new Notice of Motion for Summary Judgement in Lieu of Complaint with the State of New York Supreme Court, County of New York for \$44,504 plus interest at the rate of 10% per annum from January 6, 2021, plus costs. The plaintiff filed for an oral argument which was heard by the State of New York Supreme Court on September 15, 2022. On October 3, 2023, the motion for Summary Judgment in Lieu of Complaint and the cross-motion were denied. The plaintiff was ordered to file a formal complaint with the Company's attorney within 20 days of this ruling, and the Company is required to respond within 20 days after service of the complaint. As of the date of these consolidated financial statements, the Company and its attorney have not received such communication. The Company believes that the claim has no merit and intends to defend its position vigorously.

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(Unaudited)

14. Memorandum of Understanding

On July 25, 2021, the Company entered into a Memorandum of Understanding (“MOU”) to acquire all the assets and cannabis business operation, including 12 acres of property, structure and cannabis licenses, existing sales channels and distribution networks, from a private company situated in Northern California. Upon reaching a definitive agreement, the Company intends to further develop a state-of-the-art flowering greenhouse of approximately 12,000 square feet or the maximum allowed by California State and Regional County. The acquisition price is \$2,400,000 to be paid through a combination of cash and shares. The Company also has an option from the seller to acquire an additional 120 acres or more of land for business expansion and development. The Company had advanced \$88,850 (2024 – \$88,850) under the MOU, which was expected to be applied against the final purchase price upon completion of a definitive agreement. On February 5, 2023, the Company terminated the MOU. The advance of \$88,850 was converted into a note bearing no interest until September 30, 2025. During the year ended September 30, 2025, the Company recognized a full allowance for credit loss of \$88,850 against the promissory note receivable. Refer to Note 4.

15. Income Taxes

The Company is subject to Canadian federal and provincial taxes at an approximate rate of 27% (2024 – 27%) and United States federal and state income taxes at an approximate rate of 21% (2024 – 21%). The reconciliation of the provision for income taxes at the federal statutory rate compared to the Company’s income tax expense as reported is as follows:

	2025	2024
	\$	\$
Income tax recovery at statutory rate	76,947	(222,174)
Permanent differences and other	(142,267)	151,842
Change in valuation allowance	65,320	70,332
Income tax provision	–	–

The significant components of deferred income tax assets and liabilities are as follows:

	2025	2024
	\$	\$
Net operating losses carried forward	2,290,263	2,224,941
Property and equipment	52,954	52,954
Valuation allowance	(2,343,217)	(2,277,895)
Net deferred income tax asset	–	–

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(Unaudited)

15. Income Taxes (continued)

The Company has net operating losses carried forward of \$9,060,505 which may be carried forward to apply against future years' taxable income, subject to the final determination by taxation authorities, expiring in the following years:

	Canada	USA
	\$	\$
2029	–	54,040
2030	–	101,259
2034	401,530	–
2035	740,776	1,003
2036	1,008,613	1,000
2037	1,229,859	–
2038	1,575,665	91,177
2039	272,632	493,609
2040	182,216	356,102
2041	222,571	597,523
2042	245,731	422,219
2043	198,662	327,216
2044	187,540	93,787
2045	193,477	62,299
	<u>6,459,272</u>	<u>2,601,234</u>

15. Subsequent Event

The Company has evaluated subsequent events occurring between the most recent year end and the date these consolidated financials were available to be issued. All subsequent events requiring recognition as of September 30, 2025, have been incorporated into these consolidated financial statements and there are no subsequent events that require disclosure in accordance with FASB ASC Topic 855, *Subsequent Events*.