Mary Agrotechnologies Inc.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended December 31, 2024 and 2023

(Unaudited)

Mary Agrotechnologies Inc.

Three months ended December 31, 2024 and 2023

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NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Mary Agrotechnologies Inc. for the interim period ending December 31, 2024 have been prepared by management in accordance with International Financial Reporting Standards and approved by the Audit Committee and Board of Directors of the Company. These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's independent auditor.

Mary Agrotechnologies Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Expressed in Canadian Dollars)

	December 31, 2024	**September 30, 2024**
	$	$
ASSETS		
Current Assets		
Cash and cash equivalents	1,532	1,504
Prepaid expenses and deposits	-	77
Accounts receivable	3,314	19,795
	4,846	21,376
TOTAL ASSETS	**4,846**	**21,376**
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	51,237	43,906
Customers advances	10,435	10,435
Due to a related party (note 5)	58,800	56,400
	120,472	110,741
TOTAL LIABILITIES	**120,472**	**110,741**
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (note 6)	5,395,412	5,395,412
Contributed surplus	1,027,832	1,027,832
Deficit	(6,538,870)	(6,512,609)
TOTAL SHAREHOLDERS' EQUITY(DEFICIENCY)	**(115,626)**	**(89,365)**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	**4,846**	**21,376**

Nature of operations and going concern (note 1)

Approved on behalf of the Board

"Chuhan Qin" — Chuhan Qin, Director

"Ying Xu" — Ying Xu, Director

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

Mary Agrotechnologies Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Three months ended December 31,	
	2024	**2023**
	$	$
Revenue	-	16,249
Cost of revenue	-	(14,559)
Gross profit	-	1,690
Professional and consulting fees	21,671	40,475
Amortization	-	11,333
Accretion	-	382
Marketing and business development	-	165
Office and administrative	4,590	18,226
Share-based compensation (note 6)	-	2,488
Wages and salaries (note 5)	-	52,492
	26,261	125,561
LOSS BEFORE OTHER ITEMS	**(26,261)**	**(123,871)**
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**(26,261)**	**(123,871)**
Basic and Diluted Loss per Common Share	(0.00)	(0.00)
Weighted Average Number of Common Shares Outstanding	43,227,924	43,227,924

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

Mary Agrotechnologies Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)

(Unaudited - Expressed in Canadian Dollars)

	Number of common shares	Share capital	Contributed surplus	Deficit	Total shareholders' equity(Deficiency)
		$	$	$	$
Balance, September 30, 2023	**43,227,924**	**5,395,412**	**1,025,344**	**(6,280,110)**	**140,646**
Share-based compensation	-	-	2,488	-	2,488
Net loss for the period	-	-	-	(123,871)	(123,871)
Balance, December 31, 2023	**43,227,924**	**5,395,412**	**1,027,832**	**(6,403,981)**	**19,263**
Balance, September 30, 2024	**43,227,924**	**5,395,412**	**1,027,832**	**(6,512,609)**	**(89,365))**
Net loss for the period	-	-	-	(26,261)	(26,261)
Balance, December 31, 2024	**43,227,924**	**5,395,412**	**1,027,832**	**(6,538,870)**	**(115,626)**

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

Mary Agrotechnologies Inc.
Condensed Interim Consolidated Statements of Cash Flow
(Unaudited - Expressed in Canadian Dollars)

	Three months ended December 31,	
	2024	**2023**
	$	$
Operating activities		
Net loss for the period	(26,261)	(123,871)
Items not involving cash:		
Accretion	-	383
Share-based compensation	-	2,488
Amortization	-	11,333
Changes in non-cash working capital:		
Inventory	-	8,397
Accounts receivable	16,481	23,681
Accounts payable and accrued liabilities	7,331	(6,559)
Customer advances	-	(3,782)
Prepaid expenses	77	3,956
Due to a related party	2,400	-
Net cash provided (used) in operating activities	28	*(83,974)*
Financing activities		
Lease payments	-	(11,544)
Net cash used in financing activities	-	(11,544)
Increase (decrease) in cash and cash equivalents	28	(95,518)
Cash and cash equivalents, beginning of period	1,504	170,185
Cash and cash equivalents, end of period	1,532	74,667

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

1. NATURE OF OPEARTIONS AND GOING CONCERN

Mary Agrotechnologies Inc. ("Mary AG" or "the Company") was incorporated under the laws of the Province of Ontario by articles of incorporation on October 12, 2017. The primary business activity of the Company is to produce the fully automated plant growing device managed and controlled by an artificial intelligent algorithm, allowing consumers to grow their own herbs and vegetables effortlessly from seed to plant, while providing optimal conditions to assure premium quality produce year-round. The Company's head office is located at 115 Apple Creek Boulevard, Unit 4, Markham, Ontario, L3R 6C9.

The Company operates mainly in the fields of development and distribution of home growing automated machines and commercial containers for variety of herbs and vegetables worldwide. The Company also plans, establishes and will operate container farms.

In January, 2024, the Company made the decision to discontinue the product line of grow box after having thoroughly considered the product market performance and the company's strategic vision for future development.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future.

The continued operations of the Company are dependent on future profitable operations, management's ability to manage costs, and the future availability of equity or debt financing. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due is uncertain. The above factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and liabilities in the normal course of business. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. BASIS OF PRESENTAITON

a) Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with international Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(Unaudited - Expressed in Canadian Dollars)

These condensed interim consolidated financial statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended September 30, 2024. These condensed interim consolidated financial statements do not include all the disclosures required for the annual audited financial statements. These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended September 30, 2024. The Company's interim results are not necessarily indicative of its results for a full year.

These condensed interim consolidated financial statements are authorized for issue by the Board of Directors on February 24, 2025.

b) Basis of preparation

These condensed interim consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments measured at fair value. These condensed consolidation interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (its "subsidiaries"). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany balances and transactions are eliminated on consolidation. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of return.

As of December 31, 2024, the following entity is controlled by the Company. The entity has no material transactions for the period from the inception of its incorporation to December 31, 2024.

Entity	Location	Ownership	Basis of accounting
Shanghai Moquan Agrotechnologies Co., Ltd. ("Shanghai Moquan")	China	100%	Consolidated

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended September 30, 2024.

a) New standards adopted in the reporting period.

No new and revised accounting standard was adopted by the Company for annual periods beginning on October 1, 2024.

b) Accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the three months ended December 31, 2024 and have not been applied in preparing these consolidated financial statements. None of these pronouncements are expected to have a material impact on the Company's consolidated financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

- Estimated useful life of property, plant and equipment – Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(Unaudited - Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and have been valued at the exchange amount of the services performed or consideration paid. Related party transactions not presented elsewhere are presented below.

a) Due to a related party comprises a payable of $58,800 (September 30, 2024 - $56,400) due to the Chief Executive Officer of the Company.

b) Accounts payable includes a payable of $39,550 (September 30, 2024 - $33,900) to a corporation controlled by the Company's the chief financial officer ("CFO").

Transactions with key management personnel:

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of all executive officers and directors of the Company.

The compensation paid or payable to key management personnel during the three months ended December 31, 2024 and 2023 were as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023
	$	$
Salaries, consulting fees and short-term employee benefits	15,000	33,000
	15,000	33,000

6. SHARE CAPITAL

a) Authorized Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Issued Share Capital

The Company had no capital transactions during the three months ended December 31, 2024 and 2023.

c) Stock Options

Pursuant to the Company's stock option plan, the aggregate number of common shares that may be reserved for issuance pursuant to options shall not exceed 10% of the outstanding common shares at the time of the granting of an option, less the aggregate number of common shares then reserved for issuance pursuant to any other share compensation arrangement. The exercise price per common share for an option granted shall not be less than the market price. Every option shall have a term not exceeding and shall expire no later than 10 years after the date of grant. The terms of the stock options granted as well as the vesting conditions are at the sole discretion of the directors.

(Unaudited - Expressed in Canadian Dollars)

The following table summarizes the continuity of the Company's stock options:

	Number of shares	Weighted average exercise price $	Weighted average remaining contractual life (years)
Outstanding, September 30, 2023	3,609,000	0.27	7.67
Expired	(15,000)	0.13	
Outstanding, September 30, 2024	3,594,000	0.27	6.67
Outstanding, December 31, 2024	3,594,000	0.27	6.41
Exercisable, December 31, 2024	3,594,000	0.27	6.41

The following table summarizes the information of outstanding and exercisable share options as of December 31, 2024.

Grant Date	Expiry Date	Exercise Price	Number of Options	Exercisable
July 24, 2020	July 23, 2030	$0.25	1,539,000	1,539,000
July 24, 2020	July 23, 2030	$0.46	70,000	70,000
July 25, 2021	July 24, 2031	$0.415	1,050,000	1,050,000
September 16, 2022	September 15, 2032	$0.13	935,000	935,000

No stock options were granted during the three months ended December 31, 2024 and 2023.

d) Earned-out shares

On November 28, 2019, the Company entered into a Common Share Earned-out Agreement (the "Earned-out Agreement) with an employee. Based on the terms of the Earned-out Agreement, the employee will receive 250,500 common shares at a nominal value after four years of service. These shares were valued at $0.25 per share on the per share price of the Company then completed private placements. The value of shares is amortized over the period of four years. During the three months ended December 31, 2024, $nil (2023 - $2,488) were recognized as share-based compensation.

e) Share-based compensation

(Unaudited - Expressed in Canadian Dollars)

During the three months ended December 31, 2024, the Company recognized share-based compensation for stock options and earned-out shares in the total amount of $nil (2023 - $2,488).

7. FINANCIAL INSTRUMENTS

The carrying amount of financial assets and liabilities which approximate fair value are shown in the statement of financial position, are as follows:

	December 31, 2024 Carrying Amount	September 30, 2024 Carrying Amount
	$	$
Assets carried at amortized cost		
Cash and cash equivalents	1,532	1,504
	1,532	1,504
Liabilities carried at amortized cost		
Accounts payable and accrued liabilities	51,237	43,906
Due to a related party	58,800	56,400
	110,037	100,306

As at December 31, 2024 and September 31, 2024, accounts receivable consists of HST receivable only. The fair values of cash and cash equivalents, accounts payable and accrued liabilities (excluding taxes payable) and bank loans approximated carrying values as at the reporting date due to the short-term maturities of these instruments. For lease obligations, fair value approximates carrying value at the reporting date as the interest rates used to discount the host contracts approximate market rates.

8. RISK MANAGEMENT

The Company manages risk through establishing policies that provide management oversight related to the risks of operations, including ensuring that risks are identified and assessed, and that appropriate and effective policies are in place. Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. For the purposes of this disclosure, market risk is segregated into three categories: other market risks, interest rate risk and currency risk. Other risks associated with financial instruments include credit risk and liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial instruments.

The Company minimized credit risk associated with its cash balance substantially by dealing with a major financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Other than cash, there are no other significant concentrations of credit risk within the Company.

Interest rate risk
Interest rate risk is the risk that fair value of the Company's interest-bearing investments will fluctuate due to changes in market interest rates.

As at December 31, 2024 and 2023, the Company did not have significant exposure to interest rate risk, given that the Company's financial instruments are non-interest bearing.

Liquidity risk
Liquidity risk is the risk that the Company may not have sufficient liquid assets to meet its commitments associated with these liabilities.

Currency risk
Currency risk is the risk that the value of financial assets denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates.

The Company has purchase contracts denominated in US dollars. The Company is exposed to foreign exchange risks between the US dollars and Canadian dollars in its accounts payable derived from execution of such purchase contracts. As of December 31, 2024 and 2023, the Company does not have material accounts payable balance denominated in US dollars.

9. CAPITAL MANAGEMENT

The Company requires capital to fund existing and future operations and to meet regulatory capital requirements. The Company's policy is to maintain sufficient and appropriate levels of capital.

The Company's source of capital is mainly from equity financing. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. The capital management framework followed by the Company is designed to maintain the level of capital that will:

(i) Meet the Company's regulatory requirements;
(ii) Fund current and future operations;
(iii) Ensure that the Company is able to meet its financial obligations as they come due.

As at December 31, 2024, the Company had a negative working capital of $115,626.

10. OPERATING SEGMENT

Operating segments are defined as components of an enterprise that is a profit center, for which separate financial information is available and which are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

For the period ended December 31, 2024 and 2023, the Company only has one operating segment in accordance with IFRS 8 Operating Segments.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period presentation. These reclassifications have not had an impact on results of operations for the period.

12. SUBSEQUENT EVENT

Subsequent to the quarter ending December 31, 2024, Ms. Irene Mai resigned from her position as CFO and Corporate Secretary of the Company effective February 28, 2025 to pursue other business interests. The Company has appointed Mr. Chuhan Qin (Frank), the Company's CEO, as its new CFO and Corporate Secretary effective March 1, 2025. Ms. Mai has agreed to assist in a smooth transition of duties and continue to support the Company as a consultant.