

Pangea Natural Foods Inc.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended January 31, 2025, and 2024

(Unaudited - Expressed in Canadian dollars)

Notice to Reader

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements, they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these condensed interim financial statements.

Pangea Natural Foods Inc

Condensed Interim Statements of Financial Position

As at January 31, 2025 and October 31, 2024

(Expressed in Canadian dollars)

	Notes	January 31, 2025	October 31, 2024
ASSETS			
Current assets			
Cash		\$ 211,276	\$ 140,093
Accounts receivable and other receivables	5	29,270	24,443
Prepaid expenses		47,750	17,750
Inventory	6,11	-	-
		288,296	182,286
Equipment and right-of-use asset	7	-	-
Total assets		\$ 288,296	\$ 182,286
LIABILITIES			
Current liabilities			
Bank overdraft		\$ 21,224	\$ 17,827
Accounts payable and accrued liabilities	8,11	760,855	714,909
		782,079	732,736
SHAREHOLDERS' DEFICIENCY			
Share capital	9	2,460,905	2,460,905
Share subscriptions	9	255,000	-
Share-based payments reserve	9	981,058	981,058
Deficit		(4,190,746)	(3,992,413)
Total shareholders' deficiency		(493,783)	(550,450)
Total liabilities and shareholders' deficiency		\$ 288,296	\$ 182,286

Nature of operations and going concern (Note 1)

Subsequent Events (Note 18)

Approved and authorized for issue by the Board of Directors on April 1, 2025:

"Pratapvir Sandhu" Director"Ajit Bhatti" Director

The accompanying notes are an integral part of these financial statements

Pangea Natural Foods Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

For the three months ended January 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Notes	Three months ended January 31, 2025	Three months ended January 31, 2024
Revenue	10	\$ -	\$ 8,019
Cost of sales	6	-	(6,924)
Gross profit (loss)		-	1,095
Expenses			
Advertising and promotion	11	-	31,036
Depreciation	7	-	207
Office and administration	11	3,871	9,385
Professional fees	11	183,962	79,114
Rent	11	10,500	10,500
Research and development	11	-	-
Salaries and wages	11	-	46,807
Share-based payments	9,11	-	34,499
Total operating expenses		(198,333)	211,548
Loss before other items		(198,333)	(210,453)
Other items			
Foreign exchange gain (loss)		-	2,035
Impairment of inventory	6	-	(1,088)
		-	(947)
Net loss and comprehensive loss for the year		\$ (198,333)	\$ (209,506)
Weighted average number of shares – Basic and diluted			
		7,705,333	6,413,145
Loss per share – Basic and diluted		\$ (0.03)	\$ (0.03)

The accompanying notes are an integral part of these financial statements

Pangea Natural Foods Inc.

Condensed Interim Statements of Changes in Shareholders' Deficiency

For the three months ended January 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Share capital			Share-based payments reserve	Deficit	Total shareholders' deficiency
	Number of common shares	Share capital	Share subscriptions			
Balance, October 31, 2023	6,158,055	1,802,680	95,500	924,862	(2,961,321)	(138,279)
Units issued from private placement	339,500	236,440	(95,500)	69,110	-	210,050
Shares issued for exercised RSUs	-	-	-	34,499	-	34,499
Obligation to issue shares	-	-	3,300	(3,300)	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(209,506)	(209,509)
Balance, January 31, 2024	6,497,555	2,039,120	3,300	1,025,171	3,170,827	(103,239)
Balance, October 31, 2024	7,705,333	\$ 2,460,905	\$ -	\$ 981,058	\$ (3,992,413)	\$ (550,450)
Obligation to issue shares	-	-	255,000	-	-	255,000
Net loss and comprehensive loss for the period	-	-	-	-	(198,333)	(198,333)
Balance, January 31, 2025	7,705,333	\$ 2,460,905	\$ 255,000	\$ 981,058	\$ (4,190,746)	\$ (493,783)

The accompanying notes are an integral part of these financial statements

Pangea Natural Foods Inc.

Condensed Interim Statements of Cash Flows

For the three months ended January 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

Three months ended	January 31, 2025	January 31, 2024
Operating activities		
Net loss for the period	\$ (198,333)	\$ (209,506)
Items not affecting cash:		
Depreciation	-	975
Impairment of inventory	-	1,088
Share-based payments	-	34,499
Non-cash working capital items:		
Accounts receivable and other receivables	(4,827)	708
Prepaid expenses	(30,000)	4,967
Inventory	-	(1,600)
Accounts payable and accrued liabilities	45,946	(23,276)
Net cash used in operating activities	(187,214)	(192,145)
Financing activities		
Bank overdraft	3,397	-
Proceeds from subscriptions received	255,000	210,050
Net cash provided by financing activities	258,397	210,050
Change in cash	71,183	17,905
Cash, beginning of period	140,093	51,644
Cash, end of period	\$ 211,276	\$ 69,549

The accompanying notes are an integral part of these financial statements

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Pangea Natural Foods Inc. (“Pangea” or the “Company”) was incorporated on April 10, 2021 under the laws of the British Columbia Business Corporations Act. The registered records office of Pangea is located at 10th Floor, 595 Howe Street, Vancouver B.C. V6C 2T5. On July 4, 2022, the Company listed its common shares on the Canadian Securities Exchange under the trading symbol “PNGA”.

The Company manufactures and distributes high quality food products that are nutritious and free of GMO ingredients, fillers, antibiotics, hormones, and bioengineered ingredients.

The financial statements have been prepared on the basis on accounting principles applicable to a going concern which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company’s ability to continue as a going concern and to realize assets at their carrying values is dependent upon its ability to obtain financing and generate profits and positive cash flows from operations in order to cover its operating costs.

The Company incurred a loss of \$198,333 for the three month period ended January 31, 2025 (January 31, 2024 – \$209,506), and as of that date the Company’s accumulated deficit was \$4,190,746 (October 31, 2024 – \$3,992,413). The Company will periodically need to raise funds to continue its operations and although it has been successful in doing so in the past, there is no assurance that it will be able to continue to do so in the future. These events and conditions indicate a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements. These adjustments could be material.

On February 18, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every six pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, restricted share units, warrants and per share amounts are stated on an adjusted basis (Note 9).

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements were approved and authorized for issuance on April 1, 2025 by the Board of Directors.

b) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for any financial assets and liabilities measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, unless otherwise noted.

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

3. MATERIAL ACCOUNTING POLICIES & MANAGEMENT'S

These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended October 31, 2024. The significant accounting policies applied in the preparation of these condensed interim financial statements are consistent with the accounting policies disclosed in Note 3 of the audited financial statements for the year ended October 31, 2024.

4. MANAGEMENT'S USE OF JUDGEMENTS AND ESTIMATES

The preparation of these financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amount of income and expenses during the period. Actual results could differ from these estimates.

These financial statements include estimates which, by their nature are uncertain. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. 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.

In preparing these condensed interim financial statements, the significant estimates and critical judgements were the same as those applied to the audited financial statements as at and for the year ended October 31, 2024.

5. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	January 31, 2025		October 31, 2024
Accounts receivable	\$	-	\$ 68,086
Expected credit loss		-	(65,272)
Sales tax recoverable		29,270	21,629
	\$	29,270	\$ 24,443

6. INVENTORY

	January 31, 2025		October 31, 2024
Finished goods	\$	-	\$ -
Packaging materials		-	-
	\$	-	\$ -

During the year ended October 31, 2024, the Company impaired 100% of its remaining inventory on hand due to market condition changes and the Company's inability to compete with the prices of its competitors, causing an inability to sell its products. As a result, the Company recognized an impairment loss in inventory of \$65,303 (2023 - \$Nil).

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
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(Unaudited - Expressed in Canadian dollars)

7. EQUIPMENT AND RIGHT-OF-USE ASSET

	Computer equipment	Production equipment	Right-of-use asset	Total
Cost				
Balance, October 31, 2023 and 2022	\$ 2,481	\$ 21,500	\$ 43,394	\$ 67,375
Impairment	-	(21,500)	-	(21,500)
Balance, October 31, 2024	\$ 2,481	\$ -	\$ 43,394	\$ 45,875
Accumulated depreciation				
Balance, October 31, 2022	\$ 1,223	\$ 3,585	\$ 40,064	\$ 44,872
Depreciation	827	3,071	3,330	7,228
Balance, October 31, 2023	2,050	6,656	43,394	52,100
Depreciation	431	3,071	-	3,502
Impairment	-	(9,727)	-	(9,727)
Balance, October 31, 2024	\$ 2,481	\$ -	\$ 43,394	\$ 45,875
Carrying amounts				
At October 31, 2024	\$ -	\$ -	\$ -	\$ -
At January 31, 2025	\$ -	\$ -	\$ -	\$ -

During the year ended October 31, 2024, \$3,071 (2023 - \$3,071) of depreciation was allocated to inventory as overhead.

During the year ended October 31, 2024, the Company recorded an impairment loss of \$11,773 (2023 - \$Nil) related to production equipment.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2024	October 31, 2024
Trade payables	\$ 622,667	\$ 492,741
Accrued liabilities	138,188	127,688
Payroll payable	-0	94,480
	\$ 760,855	\$ 714,909

9. SHARE CAPITAL

On February 18, 2025, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidated common share for every six pre-consolidated common shares. The share consolidation has been applied retrospectively and as a result shares, options, restricted share units, warrants and per share amounts are stated on an adjusted basis (Note 1).

Authorized capital

The Company is authorized to issue an unlimited number of commons shares without par value.

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

Issued and outstanding capital

As at January 31, 2025, there were 7,705,333 (October 31, 2024 – 7,705,333) common shares issued and outstanding.

Escrowed common shares

As at January 31, 2025, the Company had 1,130,000 (October 31, 2024 – 1,130,000) common shares held in escrow. The common shares are being released from escrow 10% on the listing date of July 4, 2022 and 15% every six months after the listing date. All securities will be released from escrow by thirty-six months after the listing date.

Warrants

Continuity of the Company's warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, October 31, 2023	1,402,917	\$ 0.84
Issued	658,833	1.20
Exercised*	(205,000)	0.60
Expired	(1,185,417)	0.90
Outstanding, October 31, 2023	671,333	1.20
Issued	1,169,750	0.53
Expired	(12,500)	1.20
Outstanding, January 31, 2025	1,828,583	\$ 0.77

*The weighted average market price of the Company's common shares on the date of exercise was \$0.90.

As at January 31, 2025, the following warrants were outstanding:

Grant Date	Number of warrants	Exercise price	Expiry date	Remaining contractual life (years)
February 13, 2023	637,500	\$1.20	February 13, 2025	0.29
February 13, 2023	21,333*	\$1.20	February 13, 2025	0.29
November 7, 2023	136,417	\$1.50	November 7, 2025	1.02
January 26, 2024	33,333	\$1.50	January 26, 2026	1.24
September 17, 2024	1,000,000	\$0.36	September 17, 2025	0.88
	1,828,583	\$0.77		0.68

*Finder's warrants

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
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(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

As at January 31, 2025, the following warrants were outstanding:

Grant Date	Number of warrants	Exercise price	Expiry date	Remaining contractual life (years)
February 13, 2023	637,500	\$1.20	February 13, 2025	1
February 13, 2023	21,333*	\$1.20	February 13, 2025	1
	658,833	\$1.20		1

*Finder's warrants

During the period ended January 31, 2025, share-based payments in the amount of \$Nil (2024 - \$Nil) were recognized on the issuance and vesting of stock options.

Options

As at January 31, 2025, the following options were outstanding:

Options outstanding	Options exercisable	Exercise price	Expiry date	Remaining contractual life (years)
275,000	275,000	\$0.60	February 14, 2027	2.29
141,292	141,292	\$1.08	February 13, 2026	1.29
416,292	416,292	\$0.76		1.95

Restricted Share Units ("RSUs")

On January 16, 2024, 30,000 RSUs were granted to a consultant of the Company. The granted RSUs will vest over 6 months from the grant date, with a sixth vesting every month.

On December 8, 2023, 30,000 RSUs were granted to a consultant of the Company. The granted RSUs will vest over 6 months from the grant date, with a sixth vesting every month.

On September 22, 2023, the Company granted 44,000 RSUs to a consultant of the Company. The granted RSUs will vest over 6 months from the date of grant, with a sixth vesting every month.

On February 13, 2023, pursuant to the Company's Plan, the Company granted 341,666 RSUs to consultants of the Company. 308,333 of the RSUs will vest over 18 months from the date of grant, with a third vesting every six months. The remaining 33,333 RSUs were vested on April 16, 2024.

The fair value of the RSUs is determined by the quoted market price of the Company's common shares at date of grant. Share-based payment is recognized in the statement of loss and comprehensive loss over the vesting period.

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
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(Unaudited - Expressed in Canadian dollars)

9. SHARE CAPITAL (continued)

At the discretion of the Board of Directors, RSUs may be settled in equity, cash or a combination of both. The fair value of RSUs, which are settled in equity, is recognized as a share-based payment with a corresponding increase in share-based payments reserve, over the vesting period. The fair value of RSUs, when settled in cash, is recognized as a share-based payment with a corresponding increase in liabilities, over the vesting period.

During the year ended October 31, 2024, the Company recognized share-based payments of \$108,886 (2023 – \$213,874) relating to the vesting of the RSUs.

As at January 31, 2024, the Company had 30,000 RSUs outstanding (2024 – 30,000), which were all vested.

Continuity of the Company's RSUs is as follows:

	Number of Restricted Share Units
Balance, October 31, 2022	-
Granted	385,666
Exercised	(72,222)
Forfeited	(91,666)
Balance, October 31, 2023	221,778
Granted	60,000
Exercised	(207,778)
Forfeited	(44,000)
Balance, January 31, 2025	30,000

10. RELATED PARTY TRANSACTIONS

Related parties consist of the directors, officers and companies owned or controlled in whole or in part by them. Related parties and related party transactions impacting the financial statements not disclosed elsewhere in these financial statements are summarized below.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel is summarized as follows:

Remuneration attributed to key management personnel is summarized as follows:

	Three months ended January 31, 2025		Three months ended January 31, 2024
Professional fees	\$ 60,000	\$	30,279
Salaries and wages	-		33,600
	\$ 60,000	\$	63,879

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
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(Unaudited - Expressed in Canadian dollars)

11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to support its business plan, as well as to ensure that the Company is able to meet its financial obligations as they become due. The Company considers its capital for this purpose to be shareholders' equity.

The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may seek additional funding.

The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital. There have been no changes in the way in which the Company manages capital in the year. As at January 31, 2025, the Company expects its capital resources to support its capital requirements on an ongoing basis. As at January 31, 2025, there were no externally imposed restrictions on the capital, or management thereof, of the Company.

12. FINANCIAL RISK MANAGEMENT

Fair values

The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Cash is carried at fair value through profit or loss, while accounts receivable, and accounts payable and accrued liabilities are carried at amortized cost. The fair values of accounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to their short terms to maturity.

The Company classifies its financial assets at FVTPL according to the fair value hierarchy as follows:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at January 31, 2025 and 2024, cash was measured at FVTPL in accordance with Level 1 of the fair value hierarchy. The Company had no transfers between levels of the fair value hierarchy during the period ended January 31, 2025.

Financial risks

The Company is exposed in varying degrees to a variety of financial instrument-related risks. Significant risks that are relevant to the Company, as well as methods to manage the various types of risk to which it is exposed, are discussed below.

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

12. FINANCIAL RISK MANAGEMENT (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprised three types of risk: foreign currency risk, interest rate risk and other price risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Company's functional and presentation currency is the Canadian dollar and financings, and major purchases are transacted in Canadian dollars. As a result of a change in the Company's business operations, the Company's exposure to the foreign currency risk is not considered to be material.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest earned on cash is insignificant and the Company does not rely on interest income to fund its operations. As a result, the Company's exposure to interest rate risk is not considered to be material. The Company has not had a material change in or management of this risk during the period ended January 31, 2025.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company does not hold equity investments in other entities and therefore is not exposed other price risk. The Company's exposure to and management of this risk has not changed materially during the period ended January 31, 2025.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and accounts receivable are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with either major financial institutions or reputable institutions with a sufficiently long operating history to be considered reliable for credit worthiness purposes. The Company mitigates credit risk by monitoring its exposure for credit losses with customers.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk through the management of its capital structure. The Company addresses its liquidity by raising capital through the issuance of equity to supplement revenues from operations. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Pangea Natural Foods Inc.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

13. SEGMENTED INFORMATION

The Company currently has one reportable operating segment, being the manufacturing and distribution of food products in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts. All long-term assets of the Company are located in Canada.

14. SUBSEQUENT EVENTS

On February 4, 2025, the Company closed a non-brokered private placement. The Company issued 3,333,333 common shares at a price of \$0.15 per share for gross proceeds of \$500,000. At the same time, the Company closed debt settlements, whereby the Company issued to certain creditors of the Company an aggregate of 3,333,333 common shares at a price of \$0.15 per share, in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of \$500,000.

On February 11, 2025, the Company entered into a non-binding letter of intent (“LOI”) with Amino Innovations Corp. (“Amino”), pursuant to which the Company proposes to acquire 100% of the common shares in the capital of Amino. Amino is a newly formed company dedicated to advancing health and wellness by providing consumers with innovative peptide therapies through effective and accessible delivery systems. Amino’s product line includes peptide formulations for sports recovery, autoimmune support, skin repair and sleep health. The proposed transaction is expected to be structured as a share exchange transaction pursuant to which the Company will acquire 100% of the issued and outstanding common shares in the capital of Amino by the issuance of an aggregate of 12,000,000 common shares in the capital of the Company on closing of the transaction to shareholders of Amino. Following the closing of the proposed transaction, it is expected that shareholders of Amino will collectively own approximately 45.5% of the issued and outstanding shares of the Company. The common shares of the Company issued to shareholders of Amino will be subject to escrow and resale restrictions to be agreed upon by the Company and Amino. In addition, the Company will loan an aggregate of US\$300,000 to Amino by way of a non-interest-bearing promissory note as follows: (i) US\$150,000 on the date of acceptance of the LOI by Amino (paid); and (ii) US\$150,000 on the date that is one week following the date of acceptance of the LOI by Amino (US\$100,000 paid).