

# BIOSENTA

**Biosenta Inc.**

**Management's Discussion & Analysis  
For the three and six months ended March 31, 2026**

**MANAGEMENT DISCUSSION AND ANALYSIS**  
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2026, AND 2025

*The following management discussion and analysis (“MD&A”) of financial results is dated May 29, 2026 and reviews the business of Biosenta Inc. (the “Company” or “Biosenta”), for the three and six months ended March 31, 2026, and should be read in conjunction with the annual consolidated financial statements and related notes for the years ended September 30, 2025 and 2024. This MD&A and the accompanying condensed interim consolidated financial statements and related notes for the three and six months ended March 31, 2026, and 2025 have been reviewed by the Company’s Audit Committee and approved by the Company’s Board of Directors.*

*This release may contain forward-looking statements information and statements which constitute “forward-looking information” under Canadian securities law and which may be material regarding, among other things, the Company’s beliefs, plans, objectives, estimates, intentions, and expectations with respect to its operations, capital and funding plans. Inherent in the forward-looking information and statements are known and unknown risks, uncertainties and other factors beyond the Company’s ability to control or predict, which give rise to the possibility that the Company’s predictions, forecasts, expectations or conclusions will not prove to be accurate, that its assumptions may not be correct, and that the Company’s plans, objectives, and statements will not be achieved. Actual results or developments may differ materially from those contemplated by the forward-looking information and statements. Consequently, undue reliance should not be placed on such forward-looking statements. The forward-looking information and statements contained in this MD&A about prospective results of operations, financial position, business development, and operations are based on current assumptions of management. Forward-looking information and statements reflect the Company’s views only as of the date of this MD&A.*

**A. Core Business Strategy and Company Highlights**

Biosenta Inc. is a pioneer in developing, producing, and manufacturing an array of chemical compounds for household and industrial applications, utilizing advanced encapsulated nanotechnology. Our products offer comparable efficacy to conventional disinfectants, but with a notable difference — they contain significantly reduced concentrations of active ingredients resulting in lower toxicity.

Biosenta disinfectant and cleaning solutions eliminate 99.9% of common pathogens — including molds, fungi, bacteria, and viruses — upon contact, while also preventing future re-infestation. With an enhanced safety profile due to our low toxicity, our products are tailed for household use.

On the industrial front, Biosenta’s compounds are embedded into various materials, such as cement, drywall, paint, plastics, and resins, to ward off microbial growth. With efficacy that spans decades, these compounds safeguard drywall, resin-based furniture, carpet rubber backing, synthetic tufts, textiles, and paper from contamination by molds, fungi, bacteria, and viruses. All of our household and industrial products are eco-friendly and biodegradable.

Biosenta is currently branching into two core business units within the anti-microbial industry. Our aim is to meet the growing demand catalyzed by rising health and environmental apprehensions concerning various microbes, including bacteria, viruses, and fungi, such as mold. Mold exposure can lead to serious health consequences, affecting the immune and nervous systems, liver, kidneys, blood, and potentially cause brain damage.

Under our Industrial Division, we have ambitious plans to manufacture and distribute an antimicrobial filler named “*Tri-Filler*.” As an industry standard, Calcium Carbonate is a common filler susceptible to mold when retaining moisture. By introducing *Tri-Filler*, we aim to revolutionize the industry which is estimated to be \$58.5 billion in global revenue. This innovative product performs essential ‘filling’ and ‘bulking’ akin to Calcium Carbonate, but by adding resistance to mold. With anti-microbial, fire-retardant, and strength-enhancing properties, *Tri-Filler*’s high pH core promises extended commercial product life and broad-spectrum eradications of microorganisms (bacteria, viruses, fungi, algae, etc.) by suppressing of their reproduction.

Biosenta’s dry product patent (method and apparatus for the preparation of calcium carbonate coated calcium hydroxide particles) has been issued in Canada, the United States of America, China, Israel, Saudi Arabia, European Union, and Mexico.

Under Biosenta’s Consumer Division, we have successfully developed a second generation of the Zeromold™ product, securing all necessary regulatory approvals for distribution in Canada and the United States. This product, named *True*™ in the United States market, has been fully licensed by the Federal Government of the United States and approved by all state governments.

Biosenta has also secured a wet product patent (a disinfectant formulation comprising calcium hydroxide and sodium hypochlorite) in the United States of America, Canada, and the European Union.

On June 23, 2020 we debuted our disinfectant product called *True*™. The disinfectant is clinically proven to eliminate a variety of viruses, bacteria, and fungi, has been recognized by Health Canada and added to its list of approved disinfectants for the use against SARS-CoV-2 (COVID-19).

*True*™ delivers high-level disinfection sought after by healthcare providers and hospitals, ensuring patients are treated in clean and safe environments. The unique patented formula is proven to effectively create safe environments in offices, schools, industrial and commercial facilities when used appropriately on various applications including sealed wood, plastic, stone, concrete, tile, and other non-porous hard surfaces. *True*™ offers long-lasting protection post-application, marking a milestone in our commitment to public health and safety.

## **Significant Events**

The Company received EPA approval for the label in 2015 and all US state approvals during the year ended September 30, 2020. Compared to other competitors in the disinfectant industry, *True*™ is a unique disinfectant as it does not require a warning, caution, or danger label, underlining its safety profile for human use. The *True*™ disinfectant product is market ready and poised for commercialization.

On September 24, 2020, following years of focused research in the antimicrobial space, Biosenta entered into a four-year research partnership with the University of Calgary Research Group and AMPAK Inc. from Toronto, Ontario. This partnership enables the University team to undertake a new generation of research in the world of nanoparticles for use as an antimicrobial filler in commercial construction materials, plastic consumer products, and goods packaging.

The University of Calgary team has an impressive track record, having previously increased concrete's tensile strength by 80%. They have also enhanced the performance of drilling fluids and ceramic membranes using nanoparticle technology. AMPAK Inc. as the first industry research partner, will contribute to plastic product development, research and development, and consumer packaging.

The partnership aims to standardize the production process of Biosenta's patented food-grade nanoparticles, Tri-filler, which demonstrates anti-microbial, strength-enhancing, and fire-retardant capabilities. This product holds immense potential to transform the anti-viral properties of everyday surfaces, ranging from clothing and paint to drywall and packaging materials.

The project is actively seeking partnerships with businesses interested in enhancing their products' and materials' anti-microbial properties. Concurrently, the University team is conducting extensive research into the effects of nanoparticle exposure on human health. Early findings indicate that the inclusion of these particles in cement results in effective biocidal attributes.

Research funds from Biosenta are matched by Mitacs Accelerate funding that builds partnerships between academia, industry, and the world.

In conjunction with research efforts, Biosenta is engaging in discussions with additional industry partners in cement and paint sectors to explore the potential of Tri-Filler in their production processes. Licensing agreements for all major categories including concrete, drywall, paint, plastics, and paper, are being considered.

On October 5, 2022, Biosenta signed a Memorandum of Understanding with Voran Group Ventures Ltd, anticipated to facilitate the commercialization of Biosenta's Tri-Filler antimicrobial products in Canadian and global markets. On May 31, 2023, negotiations with Voran Group Ventures Ltd. were discontinued.

Further, Biosenta announced the termination of its joint venture agreement with 19443391 Ontario Inc., reflecting feedback from potential partners and advisors suggesting that the agreement was a barrier to commercialization and capital raising. Biosenta terminated its joint venture agreement with 19443391 Ontario Inc., reflecting feedback from potential partners and advisors suggesting that the agreement was a barrier to commercialization and capital raising.

On July 17, 2023, Biosenta completed its agreement to terminate the existing Joint Venture Agreement with 19443391 Ontario Inc and issued 3,000,000 common shares at an aggregate subscription price of \$1,200,000 and a non-transferable promissory note in the principal amount of \$6,500,000. More information regarding the terms of the JV Agreement termination, please refer to the official document available on SEDAR.

In December 2025, the Company issued 312,500 common shares valued at market price at the time of issuance as stock-based compensation for services rendered to the Company.

During the period ended March 31, 2026, the Company issued 1,267,320 common shares valued at market price at the time of issuance as stock-based compensation for services rendered to the Company.

## **B. Overall Performance**

### **Intellectual Property**

Biosenta has issued a dry product patent (method and apparatus for the preparation of calcium carbonate coated calcium hydroxide particles) in Canada, the United States of America, China, Israel, Saudi Arabia, European Union and Mexico.

Biosenta has issued a wet product patent (disinfectant formulation comprising calcium hydroxide and sodium hypochlorite) in the United States of America, Canada, and the European Union.

### **Industrial Division: *Tri-Filler***

In 2018, Biosenta entered a five year Joint Venture (JV) agreement to develop, market, and grow the sales of *Tri-Filler*. After fulfilling the JV terms, Biosenta announced the termination of the agreement on June 23, 2023, opening up opportunities for licensing its technologies to other industry partners and discussing future financing options.

On September 24, 2020, Biosenta partnered with the University of Calgary Research Group and AMPAK Inc. to standardize the production process of Tri-filler. Despite ending negotiations for commercializing Tri-Filler with Voran Group Ventures Ltd, Biosenta is currently exploring discussions with potential industry partners in the paint, drywall, and concrete industries.

Biosenta has commissioned a bench-scale manufacturing plant for the purpose of producing the Tri-Filler antimicrobial product. The idea of a “bench-scale” is in reference to the size of the equipment and production capacity, and is used for research, development, and small-scale production for the products. Once the Tri-Filler product process has been thoroughly tested and optimized at the bench-scale level, it can then further be scaled up to pilot-scale and, eventually to full-scale production for commercial purposes.

During the year ended September 30, 2025, the Company successfully constructed and commenced operations of a bench scale production plant which showcased the ability to produce up to 15 kilograms of TriFiller daily. This is a significant milestone for the Company and is a scale-up from the previous capacity limited to smaller quantities for lab testing purposes only. The results from production not only surpassed expectations but also is evidence that the Trifiller antimicrobial technology is ready for accelerated development and scaling towards industrial manufacturing applications.

### **Consumer Division : *True*<sup>TM</sup> Disinfectant**

Biosenta’s household disinfectants and cleaners eliminate 99.99% of potentially deadly pathogens with significantly lower concentrations of active ingredients, leading to lower toxicity. However, due to limited working capital, the production of the Mold Erase product line has temporarily closed. The company’s current focus is on the Tri-filler product, it plans to invest in marketing its *True*<sup>TM</sup> disinfectant technology in the future.

## C. Overall Performance

### Selected Financial Performance

	March 31 2026	September 30 2025
(Expressed in Canadian Dollars)	\$	\$
Cash and cash equivalents	10,376	26,492
Other current assets	45,203	47,686
Non-current assets	36,664	36,156
<b>Total assets</b>	<b>92,243</b>	<b>110,334</b>
Current liabilities	11,163,704	10,114,246
Non-current liabilities	—	59,753
<b>Total liabilities</b>	<b>11,163,704</b>	<b>10,173,999</b>
<b>Shareholders' deficit</b>	<b>(11,071,461)</b>	<b>(10,063,665)</b>
<b>Total liabilities and Shareholders' deficit</b>	<b>92,243</b>	<b>110,334</b>

Cash and cash equivalents decreased by \$16,116 and other current assets decreased by \$ 2,483 during the period ended March 31, 2026, compared to September 30, 2025. Overall, total assets have decreased by \$18,091 compared to the previous year.

Current liabilities increased by \$1,049,458 during the period ended March 31, 2026, compared to September 30, 2025, due to increase in loans of \$279,607, increase in accounts payable and accrued liabilities increased by \$417,885 and increase in liability from termination of joint venture of \$292,540.

## Results of Operations

This analysis of the Company's operating results should be read along with the accompanying condensed interim consolidated financial statements and related notes for the three and six months ended March 31, 2026 and 2025.

	<b>Three months ended March 31, 2026 \$</b>	Three months ended March 31, 2025 \$	<b>Six months ended March 31, 2026 \$</b>	Six months ended March 31, 2025 \$
(Expressed in Canadian Dollars)				
Sales	<b>3,248</b>	292	<b>3,440</b>	754
Cost of goods sold	<b>2,217</b>	137	<b>2,305</b>	327
<b>Gross Profit</b>	<b>1,031</b>	155	<b>1,135</b>	427
Total expenses	<b>360,190</b>	366,266	<b>676,377</b>	641,895
<b>Other expenses</b>	<b>169,164</b>	313,700	<b>476,441</b>	625,837
Income tax	—	—	—	—
<b>Net loss and comprehensive loss</b>	<b>(528,323)</b>	(679,811)	<b>(1,151,683)</b>	(1,267,305)
<b>Basic and diluted loss per share</b>	<b>(0.02)</b>	(0.02)	<b>(0.04)</b>	(0.04)

## *True*<sup>TM</sup> - Revenues and Cost of Sales

The Company's net revenues for the three and six months ended March 31, 2026, were \$3,248 (2025: \$292) and \$3,440(2025: \$754)

## Administrative Expenses

During the three and six months ended March 31, 2026, administrative costs decreased by \$6,076 and increased by \$34,482 respectively when compared to the three and six months ended March 31, 2025, due to the following factors:

1. Salaries, management, and consulting fees increased to \$181,576 and \$325,162 during the three and six months ended March 31, 2026, from \$124,795 to \$240,943 during the three and six months ended March 31, 2025. The primarily due to the increase in Management fees and consulting fees during the year.
2. Office and general expenses decreased to \$7,194 and \$39,140 for the three and six months ended March 31, 2026, compared to \$43,176 and \$50,560 for the three and six months ended March 31, 2025. The decrease was primarily due to decrease in one time donation made during the current period and web hosting costs.
3. The Company incurred \$143,886 on stock-based compensation during the six months ended March 31, 2026 compared to \$192,725 in March 31, 2025. The compensation was issued for services rendered to the Company.

### Other (income) expenses:

Other expenses decreased by \$144,536 and \$149,396 during the three and six months ended March 31, 2026. The key factors contributing to this reduction are as follows:

#### 1. Interest Expenses:

- Interest expenses decreased to \$183,748 in the six months ended March 31, 2026 compared to \$353,287 in 2025, primarily due to decrease in the prime rate.

#### 2. Accretion Expense:

- Accretion expense related to promissory notes amounted to \$148,028 and \$292,540 for the three and six months ended March 31, 2026.

#### 3. Exchange loss (gain):

- The company recorded exchange loss of \$1,970 and loss of \$153 during the three-and six-month period ended March 31,2026.

### Management Compensation:

The board of the Company is responsible for setting the annual salary, bonus and other benefits, direct and indirect of the CEO and other Named Executive Officers (NEO) of the Company. The compensation plan of the NEOs' is intended to establish an objective connection between the NEOs' compensation and the Company's financial and business performance. The compensation of the NEOs consists of three essential elements that are intended to provide executives, in totality, a balanced compensation package, which includes of: (i) cash (discretionary basic salary) (ii) annual performance bonus and incentive stock options (long term incentive compensation). As the Company is in the growth and development stage of its business, the Company did not pay any bonuses to NEOs in the most recently completed financial year. Options granted under Company's stock option plan are approved by the Board.

### D. Liquidity and Capital Resources

#### Liquidity

	<b>As at March 31, 2026</b>	<b>As at September 30, 2025</b>
(Expressed in Canadian Dollars)	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	10,376	26,492
Current assets	55,579	74,178
Current liabilities	11,163,704	10,114,246
Working capital deficit	(11,108,125)	(10,040,068)

On March 31, 2026, the Company had cash of \$10,376 compared to \$26,492 on September 30, 2025, and a working capital deficit of \$11,108,125 compared to a working capital deficit of \$10,040,068 as at September 30, 2025.

## Going Concern

During the three- and six-month period ended March 31, 2026, the Company reported net loss of \$528,323 and \$1,151,683 a working capital deficit of \$11,108,125.

The ability of the Company to continue as a going concern is dependent upon the continuing financial support of shareholders or other investors, obtaining new financing on commercial terms acceptable to the Company to enable it to monetize its intellectual property assets, and upon attaining profitable operations once such assets can be monetized, all of which outcomes are uncertain and which represents material uncertainties, cast significant doubt over the ability of the Company to continue as a going concern. The condensed interim consolidated financial statements do not include any adjustments to the carrying values of the Company's assets, liabilities, and expenses and the related classifications that would be necessary if the going concern assumption were inappropriate. Such adjustments have not been quantified by management but could be material.

The Company funded its operations for the period ended March 31, 2026, from existing cash. The Company may not have sufficient cash reserves to fund its product development programs, administrative costs and other obligations for the coming fiscal year. Management is actively involved in developing and bringing their products to market, as well as seeking new debt and equity financing to enable it to service the Company's liabilities and its ongoing administrative costs. Management believes the Company will continue as a going concern due to the Company's ability to obtain funding through the issuance of debt and equity instruments.

	Number of shares	Amount
Balance, September 30, 2025	34,456,388	\$ 15,318,851
Share based compensation	1,579,820	143,886
Balance, March 31, 2026	36,036,208	\$ 15,462,737

Please refer to note 14 of the condensed interim consolidated financial statements for the three and six months ended March 31, 2026, and 2025 for additional information on common shares, warrants and stock options.

## Cash Flow Information

The following table provides an overview of the Company's cash flows for the current and comparable period ended:

(Expressed in Canadian Dollars)	Six months ended March 31, 2026 \$	Six months ended March 31, 2025 \$
Cash used in operating activities	(257,940)	(286,510)
Cash used in investing activities	(1,647)	(25,861)
Cash provided by financing activities	243,472	308,057
Net increase (decrease) in cash	(16,116)	(4,314)
Cash, beginning of period	26,492	8,529
Cash, end of period	10,376	4,215

## Operating Activities

The Company used \$257,940 of cash in operating activities during the period ended March 31, 2026, compared to \$286,510 used during the corresponding previous period. This is mainly due to decrease in loss and decrease in interest on promissory notes due to decrease in prime rate.

## Investing Activities

The Company used \$1,647 of cash in investing activities during the period ended March 31, 2026, compared to \$25,861 used during the period ended March 31, 2025. This was primarily due to the addition of computer during the period.

## Financing Activities

The Company generated \$243,472 through financing activities during the period ended March 31, 2026, compared to \$308,057 provided during the period ended March 31, 2025. This was because the company received loans but not much compared to comparable period of previous year.

## E. Related Party transactions:

The Company currently has certain loans and promissory notes outstanding, having a total value of \$876,457 and \$37,986

respectively as at March 31, 2026 which were provided by various related parties. These loans were provided to assist with operational and administrative costs. The loans are unsecured, interest free and repayable on demand. The promissory note is unsecured, carry interest at the rate of Prime rate plus 5% and repayable on demand.

## F. Quarterly Information

Selected quarterly information for the last few completed quarters is presented below in Canadian currency (\$), and accordance with International Financial Reporting Standards (“IFRS”).

## G. Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements as at March 31, 2026.

	2026		2025				2024			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Net gross margin/fees		-	-	-	-	-	-	-	-	-
Administrative Expenses	(359)	(316)	(388)	(298)	(366)	(366)	(1,185)	(245)	(194)	(253)
Other income / (expenses)	(169)	(280)	(251)	(302)	(314)	(314)	(1,043)	(303)	(301)	(218)
Loss	(528)	(596)	(639)	(600)	(680)	(680)	(2,228)	(547)	(495)	(471)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Loss per share	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.08)	(0.02)	(0.02)	(0.02)

## **H. Financial Instruments**

The Company has not entered into any specialized financial arrangements to minimize its investment risk, currency risk or commodity risk.

## **I. Business Risks and Financial Risks**

### **Business Risk Factors**

The Company's strategy emphasizes developing product lines to leverage its investment in licenses and drive the creation of shareholder value. This strategy has required and continues to require significant financings.

Due to the nature of the Company's business, the present stage of development of its product lines, and the constraints placed upon the Company's ability to move forward by its current liquidity situation, readers should carefully review and consider the financial, environmental and operational risk factors affecting the Company. The risk factors identified below are not an exhaustive list of the factors that may affect the Company, its operations or any forward-looking statements contained herein.

### **Need for Additional Financing**

The Company currently has no material and significant source of operating cash flow, and there is no assurance that additional funding will be available to the Company as and when needed for further development of its current or future product lines, or to fulfill its obligations to its existing creditors. Volatile markets may make it difficult or impossible for the Company to obtain adequate debt or equity financing in the future or on terms acceptable to the Company. The failure to secure additional funding could force the Company to liquidate its assets to satisfy creditor claims. The Company is planning to issue new shares to meet the working capital requirement.

### **Production Revenues**

There can be no assurance that significant additional losses will not occur in the near future, or that the Company will be profitable in the future. In particular, the Company's operating expenses, and capital expenditures are likely to increase significantly in subsequent periods due to expenditures incurred in hiring consultants, personnel, and equipment associated with developing its products and for commercial production.

The Company expects to continue to incur losses until its product lines enter into commercial production and generate sufficient revenues to fund its continuing operations. There can be no assurance that the Company will generate any significant revenues or achieve profitability.

### **Conflicts of Interest**

Certain of the Company's directors and officers may serve as directors or officers of other reporting companies, companies providing services to the Company, or companies in which they may have significant shareholdings. To the extent that such other companies may participate in ventures in which the Company

may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. If such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms.

Under the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interest of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

## **Litigation**

From time to time, the Company may be named as a defendant in legal actions or may commence legal actions against other parties arising in the course of business.

To the extent that management's assessment of the Company's exposure in respect of such matters is incorrect or changes, including as a result of any determinations made the courts or other finders' of fact, the Company's exposure could exceed management's current expectations, which could have a material adverse effect on its business, financial conditions and results of operations or the ability to continue to carry on business.

The Company is party to legal proceedings commenced by 1943391 Ontario Ltd. in connection with amounts alleged to be owing under a promissory note and related security agreements on US patent only totaling approximately \$7.1 million plus interest and costs. On May 25, 2026, the Ontario Superior Court of Justice dismissed the creditor's application for the appointment of a court-appointed receiver and manager over the Company's assets and undertaking. The creditor retains the ability to pursue other enforcement remedies in the ordinary course.

Management, together with legal counsel, continues to assess the proceeding and its potential impact. As the matter remains ongoing, the ultimate outcome cannot presently be determined. Accordingly, no provision has been recorded in respect of this matter beyond amounts already recognized in the financial statements.

## **J. Other MD&A Requirements**

Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).