



Rubicon Organics Inc.

Condensed Consolidated Interim Financial Statements (Unaudited)

For the three and nine months ended September 30, 2025

Expressed in Canadian dollars



The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Professional Chartered Accountants for a review of interim financial statements by an entity's auditor.

RUBICON ORGANICS INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (UNAUDITED)***Expressed in Canadian Dollars*

	Notes	September 30, 2025	December 31, 2024
ASSETS			
Current			
Cash and cash equivalents	17	6,685,156	9,857,264
Accounts receivable	5	5,671,060	5,828,001
Prepaid expenses, deposits, & other	6	2,972,964	2,396,270
Inventories	7	16,749,287	10,735,739
Cannabis plants	8	3,519,927	1,834,548
		35,598,394	30,651,822
Non-Current			
Property, plant and equipment	9	27,569,068	23,493,973
Right-of-use assets	11	33,609	83,777
Intangible assets	10	2,381,749	2,381,749
Total assets		65,582,820	56,611,321
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	12	10,081,604	9,263,231
Interest payable		51,220	56,839
Current portion of lease liabilities		41,494	64,822
Current portion of loans and borrowings	13	1,327,297	1,321,678
		11,501,615	10,706,570
Non-Current			
Non-current portion of lease liabilities		—	24,151
Non-current portion of loans and borrowings		7,953,899	8,478,439
Total liabilities		19,455,514	19,209,160
Shareholders' equity			
Share capital	14	111,930,976	108,303,161
Reserves	15	25,002,527	23,184,514
Deficit		(90,806,197)	(94,085,514)
Total shareholders' equity		46,127,306	37,402,161
Total liabilities and shareholders' equity		65,582,820	56,611,321

Approved on behalf of the Board:

(Signed) "Michael Detlefsen"
Director

(Signed) "Margaret Brodie"
Director and CEO

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

RUBICON ORGANICS INC.
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(UNAUDITED)**
Expressed in Canadian Dollars, except for share information


	Notes	For the three months ended		For the nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue					
Product sales		19,864,370	17,795,896	55,096,321	45,018,340
Excise taxes		(4,235,806)	(4,296,614)	(12,107,384)	(10,522,944)
Net revenue		15,628,564	13,499,282	42,988,937	34,495,396
Cost of sales					
Production costs		2,681,819	2,897,890	8,508,459	8,522,534
Inventory expensed to cost of sales		7,060,514	6,013,707	18,898,269	14,960,189
Inventory written off or provided for		623,507	209,770	1,401,849	788,773
Gross profit before fair value adjustments		5,262,724	4,377,915	14,180,360	10,223,900
Fair value adjustments to cannabis plants, inventory sold, and other charges	8	2,777,005	(500,324)	3,963,105	62,718
Gross profit		8,039,729	3,877,591	18,143,465	10,286,618
Operating expenses					
Salaries, wages, and consulting		2,347,673	1,992,755	6,970,218	5,964,622
General and administrative		1,170,204	646,923	3,260,775	2,550,832
Sales and marketing		999,608	535,766	2,607,334	1,565,235
Share-based compensation	15	462,301	495,994	1,284,008	1,506,274
Depreciation and amortization	9	48,955	48,478	143,818	161,899
		5,028,741	3,719,916	14,266,153	11,748,862
Profit (loss) from operations		3,010,988	157,675	3,877,312	(1,462,244)
Interest on loans	13	172,243	285,474	520,589	853,318
Foreign exchange loss (gain)		10,605	(126,123)	77,406	294,174
Fair value loss (gain) on derivatives		—	166,822	—	(94,732)
Net income (loss) for the period		2,828,140	(168,498)	3,279,317	(2,515,004)
Profit (loss) per share, basic		0.04	0.00	0.05	(0.04)
Profit (loss) per share, diluted		0.04	0.00	0.05	(0.04)
Weighted average number of shares outstanding, basic		69,821,802	57,734,198	64,480,549	57,039,885
Weighted average number of shares outstanding, diluted		70,850,681	58,764,751	65,509,428	58,070,438

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

RUBICON ORGANICS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
Expressed in Canadian Dollars, except for share information


	Notes	Number of Shares	Share Capital	Share- Based Reserves	Warrant Reserve	Reserves	Deficit	Total Shareholders' Equity
Balance, January 1, 2024		56,191,661	107,793,260	13,895,214	7,728,952	21,624,166	(91,523,108)	37,894,318
Share-based compensation	15	—	—	1,506,274	—	1,506,274	—	1,506,274
Vesting of RSUs	14	16,667	52,501	(52,501)	—	(52,501)	—	—
Shares issued for debt settlement	14	59,764	25,400	—	—	—	—	25,400
Net loss for the period		—	—	—	—	—	(2,515,004)	(2,515,004)
Balance, September 30, 2024		56,268,092	107,871,161	15,348,987	7,728,952	23,077,939	(94,038,112)	36,910,988
Balance, January 1, 2025		56,528,091	108,303,161	15,455,562	7,728,952	23,184,514	(94,085,514)	37,402,161
Share-based compensation	15	—	—	1,284,008	—	1,284,008	—	1,284,008
Vesting of RSUs	14	420,415	265,928	(265,928)	—	(265,928)	—	—
Share issuance – private placement	14	10,227,265	3,361,887	—	799,933	799,933	—	4,161,820
Net profit for the period		—	—	—	—	—	3,279,317	3,279,317
Balance, September 30, 2025		67,175,771	111,930,976	16,473,642	8,528,885	25,002,527	(90,806,197)	46,127,306

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

RUBICON ORGANICS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)
Expressed in Canadian Dollars



		For the nine months ended	
	Notes	September 30, 2025	September 30, 2024
OPERATING ACTIVITIES			
Net profit (loss) from continuing operations		3,279,317	(2,515,004)
Adjustments to reconcile net profit (loss) to cash provided by operating activities:			
Fair value adjustments to cannabis plants, inventory sold, and other charges	8	(3,963,105)	(62,718)
Depreciation and amortization	9	2,392,881	2,418,231
Share-based compensation	15	1,284,008	1,531,674
Interest on loans	13	520,589	853,317
Foreign exchange loss		24,598	217,415
Fair value gain on derivatives		—	(94,732)
Changes in non-cash working capital items	17	(3,273,185)	(1,212,638)
Cash provided by operating activities		265,103	1,135,545
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	9	(6,474,115)	(1,114,766)
Cash used in investing activities		(6,474,115)	(1,114,766)
FINANCING ACTIVITIES			
Net proceeds of equity financing		4,161,820	—
Principal loan payments		(543,058)	—
Interest paid		(502,071)	(796,410)
Repayment of lease liabilities		(55,189)	(49,037)
Settlement of hedge		—	648,194
Cash provided by (used in) financing activities		3,061,502	(197,253)
Effect of exchange rate changes on cash		(24,598)	(6,554)
Net decrease in cash and cash equivalents during the period		(3,172,108)	(183,028)
Cash and cash equivalents, beginning of period		9,857,264	9,784,190
Cash and cash equivalents, end of period		6,685,156	9,601,162

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

RUBICON ORGANICS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

Expressed in Canadian dollars



1. NATURE OF OPERATIONS

Rubicon Organics Inc. (the “Company”, “Rubicon”, or “ROI”) is a British Columbia registered company incorporated on May 15, 2015.

The Company’s principal business is the production and sale of cannabis in Canada. The Company produces and processes organic cannabis at its wholly owned, federally licensed 125,000 square foot facility in Delta, British Columbia (the “Pacifica Facility”) which it sells under its wholly owned and other licensed brands. In June 2025, Rubicon acquired a purpose-built 47,500 square foot indoor cultivation facility located in Hope, British Columbia (the “Cascadia Facility”) for \$4.5 million. The Company obtained its licensing for this facility under the *Cannabis Act* by Health Canada in October 2025.

The Company’s common shares trade on the TSX Venture Exchange (the “TSXV”) under the trading symbol “ROMJ” and on the OTCQX Best Market under the symbol “ROMJF”.

The address of the Company’s registered office and records is 1200 Waterfront Centre, 200 Burrard Street, PO Box 48600 Vancouver, British Columbia V7X 1T2. The Company’s head office is unit 701, 744 West Hastings Street, Vancouver, British Columbia V6C 1A5.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Standards Interpretation Committee (“IFRIC”) have been omitted or condensed. As a result, these condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2024 (“Annual Financial Statements”).

These condensed consolidated interim financial statements have been prepared on a 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 for the foreseeable future.

These financial statements were authorized for issuance by the Board of Directors of the Company on November 12, 2025.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company’s Annual Financial Statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The critical estimates and judgements made in the preparation of these condensed consolidated interim financial statements are the same as those used in preparing the Company’s Annual Financial Statements.

5. ACCOUNTS RECEIVABLE

	September 30, 2025	December 31, 2024
	\$	\$
Trade receivables	5,422,969	5,620,848
Sales taxes recoverable	248,091	207,153
Total accounts receivable	5,671,060	5,828,001

RUBICON ORGANICS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

Expressed in Canadian dollars



Trade receivables arise from sales of cannabis to distributors and retailers in Canada. As at September 30, 2025, 89% of trade receivables were with provincial government cannabis distributors (December 31, 2024: 94%). Trade receivables are net of a \$805,096 provision for returns (December 31, 2024: \$719,317).

For the three and nine months ended September 30, 2025, the Company had four customers (three and nine months ended September 30, 2024: four customers and four customers, respectively) that individually represented more than 10% and together constituted 87% and 90% respectively (three and nine months ended September 30, 2024: 98% and 98%, respectively), of the Company's net revenue. Direct sales to provincial government cannabis distributors accounted for the three and nine months ended September 30, 2025, were 96% and 97% respectively, of revenue (three and nine months ended September 30, 2024: 99% and 99%, respectively).

6. PREPAID EXPENSES, DEPOSITS, & OTHER

	September 30, 2025	December 31, 2024
	\$	\$
Prepaid expenses	1,281,347	590,828
Deposits	1,270,651	1,377,863
Deferred excise tax expense	420,966	427,579
Total prepaid expenses and deposits	2,972,964	2,396,270

As at September 30, 2025, \$51,087 of the deposits balance was related to property, plant and equipment (December 31, 2024: \$110,176).

7. INVENTORIES

Inventory as at September 30, 2025 and December 31, 2024 consisted of consumable inventory used in the propagation and transformation of the Company's cannabis plants, work-in-process ("WIP") inventory and finished goods.

	September 30, 2025	December 31, 2024
	\$	\$
Consumable inventory	2,711,257	1,797,198
WIP inventory	12,346,315	8,075,105
Finished goods	1,691,715	863,436
Total inventories	16,749,287	10,735,739

At September 30, 2025, WIP inventory and finished goods include \$7,317,880 of non-cash fair value of cannabis plants transferred upon harvest (December 31, 2024: \$5,040,155).

At September 30, 2025, \$794,624 of consumable inventory is expected to be utilized more than twelve months after the reporting period (December 31, 2024: \$931,150).

8. CANNABIS PLANTS

The changes in the carrying value of cannabis plants was as follows:

	\$
Balance, December 31, 2024	1,834,548
Change in fair value of cannabis plants	13,602,281
Transferred to WIP inventory upon harvest	(11,916,902)
Balance, September 30, 2025	3,519,927

The fair value of cannabis plants was determined using a valuation model that estimates the expected average yield

RUBICON ORGANICS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

Expressed in Canadian dollars



per plant and applies this to the estimated fair value less costs to sell per gram of dried cannabis flower. These fair value measurements have been categorized as Level 3 of the fair value hierarchy because there is currently no actively traded commodity market in Canada for cannabis plants.

The significant assumptions applied in determining the fair value are as follows:

- expected average yield of approximately 82.7 grams per plant (December 31, 2024: 63.5 grams per plant); and
- comparable selling price of wholesale dried cannabis flower ranging from \$1.60 to \$2.04 per gram (December 31, 2024: \$1.41 to \$1.65 per gram).

The comparable selling price used in the valuation is based on recently quoted prices of wholesale dried cannabis flower from licensed Canadian wholesalers and varies based on THC content. Expected average yields for cannabis plants are subject to a variety of factors, such as strains being grown, length of growing cycle, and space allocated for growing. Estimates of future yields are based on the historical weighted average of actual yields.

The Company periodically reassesses the significant assumptions applied in determining the fair value of cannabis plants based on historical information as well as the Company's planned production schedules. When there is a material change in any of the significant assumptions, the fair value of cannabis plants is adjusted.

For the period ended September 30, 2025, the Company determined the weighted average fair value less costs to sell was approximately \$1.48 per dried gram (December 31, 2024: \$1.60 per dried gram).

The Company has quantified the sensitivity of the significant unobservable inputs used to calculate the fair value recorded. A decrease in the comparable selling price per gram of 10% would result in a decrease in the value of cannabis plants of \$466,027. A decrease in the expected average yield per plant of 10% would result in a decrease in the value of cannabis plants of \$351,993.

The number of weeks in the growth cycle is twelve to fourteen weeks from propagation to harvest. As at September 30, 2025, the cannabis plants were estimated to be, on average, 65% complete (December 31, 2024: 32% complete).

The fair value adjustment to cannabis plants, inventory sold, and other charges for the three and nine months ended September 30, 2025 and September 30, 2024 is comprised of the following:

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Unrealized gain on changes in fair value of cannabis plants	5,961,558	2,487,447	13,602,282	8,865,842
Realized fair value of inventory sold	(3,093,756)	(2,956,785)	(9,178,882)	(8,047,024)
Adjustment to net realizable value of inventory on hand at period end	(90,797)	(30,986)	(460,295)	(756,100)
	2,777,005	(500,324)	3,963,105	62,718

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars***9. PROPERTY, PLANT AND EQUIPMENT**

Cost	Buildings and leasehold improvements	Equipment and vehicles	Land	Construction in progress	Total
	\$	\$	\$	\$	\$
At December 31, 2024	19,621,400	15,954,274	2,040,722	69,024	37,685,420
Additions	29,036	207,294	—	6,269,976	6,506,306
Commissioned during the period	238,023	92,649	—	(330,672)	—
At September 30, 2025	19,888,459	16,254,217	2,040,722	6,008,328	44,191,726

Accumulated depreciation

At December 31, 2024	4,364,489	9,826,958	—	—	14,191,447
Depreciation	806,773	1,624,438	—	—	2,431,211
At September 30, 2025	5,171,262	11,451,396	—	—	16,622,658

Net book value

At September 30, 2025	14,717,197	4,802,821	2,040,722	6,008,328	27,569,068
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Cost	Buildings and leasehold improvements	Equipment and vehicles	Land	Construction in progress	Total
	\$	\$	\$	\$	\$
At December 31, 2023	18,557,095	15,213,816	2,040,722	533,862	36,345,495
Additions	526,157	76,664	—	737,104	1,339,925
Commissioned during the period	538,148	663,794	—	(1,201,942)	—
At December 31, 2024	19,621,400	15,954,274	2,040,722	69,024	37,685,420

Accumulated depreciation

At December 31, 2023	3,327,300	7,704,047	—	—	11,031,347
Depreciation	1,037,189	2,122,911	—	—	3,160,100
At December 31, 2024	4,364,489	9,826,958	—	—	14,191,447

Net book value

At December 31, 2024	15,256,911	6,127,316	2,040,722	69,024	23,493,973
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For the nine months ended September 30, 2025, depreciation of \$1,670,086 was included in production costs (September 30, 2024: \$1,590,533) and \$331,656 was capitalized to inventory (September 30, 2024: \$275,645).

During the three and nine months ended September 30, 2025, the total amount of depreciation recognized in cost of sales was \$185,777 and \$580,258, respectively (for the three and nine months ended September 30, 2024: \$219,503 and \$618,075, respectively).

During the three months ended June 30, 2025, the Company acquired the Cascadia Facility for total consideration of \$4.5 million. As at September 30, 2025, the facility was being prepared for the restart of cultivation and is recorded in construction in progress within property, plant and equipment, ahead of being commissioned in October 2025. No depreciation has been recorded on this asset as of September 30, 2025 as it had not yet been made available for use in the manner intended by management.

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars***10. INTANGIBLE ASSETS**

	Licenses	Patents, trademarks and other rights	Total
Cost and carrying amount	\$	\$	\$
At December 31, 2024	1,881,749	500,000	2,381,749
At September 30, 2025	1,881,749	500,000	2,381,749

The intangible assets are the Health Canada license and the Wildflower™ brand. The Health Canada license was acquired in 2017 when RHC acquired all the outstanding common shares of Vintages Organic Cannabis Company Inc. for \$1,881,749. The Wildflower™ brand was acquired on October 5, 2022, for \$500,000. The Health Canada license was measured at fair value at the time of acquisition. The Wildflower™ brand was measured at cost at the time of acquisition. Both intangible assets have an indefinite life. The Company expects to renew the license at each expiry date indefinitely and expects the Wildflower™ brand to generate economic benefit in perpetuity.

11. LEASES

Information about leases for which the Company is a lessee is presented below.

a. Right-of-use assets

	Office leases	Equipment and vehicles	Total
Cost	\$	\$	\$
At December 31, 2024	172,845	97,396	270,241
At September 30, 2025	172,845	97,396	270,241

Accumulated depreciation

At December 31, 2024	96,025	90,439	186,464
Depreciation	43,211	6,957	50,168
At September 30, 2025	139,236	97,396	236,632

Net book value

At September 30, 2025	33,609	-	33,609
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	Office leases	Equipment and vehicles	Total
Cost	\$	\$	\$
At December 31, 2023	172,845	97,396	270,241
At December 31, 2024	172,845	97,396	270,241

Accumulated depreciation

At December 31, 2023	38,410	76,526	114,936
Depreciation	57,615	13,913	71,528
At December 31, 2024	96,025	90,439	186,464

Net book value

At December 31, 2024	76,820	6,957	83,777
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b. Lease payments recognized in profit (loss) from operations

The Company leases trailers for office space and natural gas generators for supplemental power on a short-term basis. The lease costs for the three and nine months ended September 30, 2025, of \$180,817 and \$363,262, respectively

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars*

(three and nine months ended September 30, 2024: \$153,082 and \$384,194, respectively) were expensed on a straight-line basis over the lease term.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2025	December 31, 2024
	\$	\$
Trade payables	2,224,415	1,781,021
Accrued liabilities	3,287,861	3,423,312
Excise taxes payable	4,569,328	4,058,898
Total accounts payable and accrued liabilities	10,081,604	9,263,231

The Company remains fully compliant with all applicable excise tax regulations, with quarterly remittances consistently submitted in advance of their respective due dates.

13. LOANS AND BORROWINGS

The changes in the carrying value of current and non-current loans and borrowings are as follows:

	Credit Facilities \$
At December 31, 2024	9,800,117
Interest accrued on loans	520,589
Interest payments	(496,452)
Principal payments	(543,058)
At September 30, 2025	9,281,196
Less: current portion	1,327,297
Non-current loans and borrowings	7,953,899

	Debenture \$	Credit Facilities \$	Total \$
At December 31, 2023	10,259,562	—	10,259,562
Loan received	—	9,800,790	9,800,790
Interest accrued on loans	1,083,226	66,355	1,149,581
Interest payments	(760,860)	(63,242)	(824,102)
Principal payments	(11,208,000)	(3,786)	(11,211,786)
Foreign exchange loss	626,072	—	626,072
At December 31, 2024	—	9,800,117	9,800,117
Less: current portion	—	1,321,678	1,321,678
Non-current loans and borrowings	—	8,478,439	8,478,439

Total interest accrued on loans for the three and nine months ended September 30, 2025, was \$172,243 and \$520,589 (three and nine months ended September 30, 2024: \$285,473 and \$853,317, respectively). All interest payments due within twelve months are classified as current.

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars***14. SHARE CAPITAL****a. Authorized**

The Company is authorized to issue an unlimited number of common shares with no par value.

b. Issued and fully paid

Common shares	#	\$
December 31, 2023	56,191,661	107,793,260
Vesting of RSUs	66,666	182,501
Vesting of DSUs	210,000	302,000
Shares for Debt	59,764	25,400
December 31, 2024	56,528,091	108,303,161
Vesting of RSUs	420,415	265,928
Non-brokered private placement, net of financing costs	10,227,265	3,361,887
September 30, 2025	67,175,771	111,930,976

15. RESERVES**a. Options**

Under the Company's Omnibus Equity Incentive Plan, approved by shareholders on July 31, 2024, the Board of Directors may grant stock options, restricted share awards, restricted share units, performance share units, and deferred share units ("Equity Awards") to eligible directors, officers, employees, and consultants of the Company and its subsidiaries. The Omnibus Equity Incentive Plan is a fixed plan under which the aggregate maximum number of Common Shares that may be issued upon the exercise or settlement of awards granted is 4,846,192 Common Shares.

The exercise price of stock options issued pursuant to the equity plans is determined by the Board of Directors but cannot be lower than the fair market value of the common shares subject to option on the date of grant. The options vest and become exercisable as determined by the Board of Directors at the time of the grant. Unless determined otherwise by the Board of Directors, the options expire within five years from the date of grant.

The Company has granted options to purchase common shares under the Equity Plans as follows:

	Number of options #	Weighted average exercise price \$
Outstanding, December 31, 2023	2,466,365	\$1.57
Granted	15,000	\$0.50
Forfeited	(97,499)	\$0.78
Expired	(227,833)	\$1.98
Outstanding, December 31, 2024	2,156,033	\$1.54
Forfeited	(30,000)	\$0.90
Expired	(78,833)	\$0.89
Outstanding, September 30, 2025	2,047,200	\$1.57

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars*

The following table provides information on stock options outstanding and exercisable as at September 30, 2025:

Expiry Date	Exercise Price	Options outstanding		Options exercisable	
		Number of options	Weighted average remaining contractual life (years)	Number of options	Weighted average remaining contractual life (years)
December 31, 2025	\$0.85	482,000	0.25	482,000	0.25
November 16, 2026	\$0.85	70,000	1.13	70,000	1.13
July 13, 2027	\$0.86	640,200	1.78	640,200	1.78
November 30, 2027	\$0.85	145,000	2.17	105,000	2.17
January 6, 2028	\$0.90	710,000	2.27	456,666	2.27
		2,047,200	1.60	1,753,866	1.49

During the three and nine months ended September 30, 2025, the Company recognized \$9,661 and \$20,897, respectively, in share-based compensation expense pertaining to options (three and nine months ended September 30, 2024: \$27,563 and \$78,633, respectively).

b. Warrants

The Company's outstanding warrants consisted of the following:

Issue Date	Expiry Date	Exercise Price	Number of Warrants	
			September 30, 2025	December 31, 2024
June 15, 2022	December 31, 2025	\$1.34	882,000	882,000
May 7, 2025	May 7, 2027	\$0.70	5,341,963	—

Each warrant is exercisable into one common share of the Company upon payment of the exercise price.

c. Restricted Share Units ("RSUs")

During the three and nine months ended September 30, 2025, the Company recognized an aggregate amount of \$305,681 and \$772,022, respectively, in share-based compensation pertaining to RSUs (three and nine months ended September 30, 2024: \$283,589 and \$1,032,799, respectively). As at September 30, 2025, there were 2,570,544 RSUs outstanding (December 31, 2024: 3,321,106), of which 809,712 were granted during the nine months ended September 30, 2025.

d. Deferred Stock Units ("DSUs")

During the three and nine months ended September 30, 2025, the Company recorded \$125,256 and \$425,981, respectively, in share-based compensation pertaining to DSUs (three and nine months ended September 30, 2024: \$184,841 and \$394,842). As at September 30, 2025 there were 2,991,268 DSUs outstanding (December 31, 2024: 1,966,692), of which 1,024,576 were granted during the nine months ended September 30, 2025.

e. Performance Share Units ("PSUs")

During the three and nine months ended September 30, 2025, the Company recorded \$21,703 and \$65,108 in share-based compensation pertaining to PSUs (three and nine months ended September 30, 2024: nil and nil, respectively). As at September 30, 2025, there were 667,770 PSUs outstanding (December 31, 2024: nil). 809,712 PSUs were granted during the nine months ended September 30, 2025 with 141,942 being cancelled in the same period.

RUBICON ORGANICS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)***Expressed in Canadian dollars***16. RELATED PARTY TRANSACTIONS****a. Related party transactions**

Accounts payable and accrued liabilities at September 30, 2025, included \$32,000 (December 31, 2024: \$27,500) owed to executives and directors of the Company for expenses paid on behalf of the Company.

The Company had a consulting agreement with its largest shareholder, a related party (the "Related Party"), which was terminated in September 2024. For the three and nine months ended September 30, 2025, the Company recorded no related consulting expenses (three and nine months ended September 30, 2024: \$12,000 and \$36,000, respectively). As at September 30, 2025, there were no related amounts payable to the Related Party (December 31, 2024: \$6,750).

b. Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly. The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. Key management compensation for the nine months ended September 30, 2025 was comprised of:

	September 30, 2025 \$	September 30, 2024 \$
Salaries and accrued salaries	820,520	782,240
Bonuses in accrued liabilities	207,496	164,063
Share based compensation	901,488	880,202
Total compensation of key management personnel	1,929,504	1,826,505

17. SUPPLEMENTAL CASH FLOW INFORMATION

Change in non-cash working capital items for the nine months ended:

	September 30, 2025 \$	September 30, 2024 \$
Accounts receivable	156,941	(2,918,892)
Prepays and deposits	(623,560)	(86,732)
Inventory	(3,647,325)	152,660
Accounts payable and accrued liabilities	833,049	1,630,412
Interest payable	51,220	—
Interest on lease liabilities	7,710	9,914
Current portion of loans and borrowings	(51,220)	—
Change in non-cash working capital items	(3,273,185)	(1,212,638)

As at September 30, 2025, accounts payable and accrued liabilities include \$248,696 related to capital asset additions (December 31, 2024: \$70,050).

Cash and cash equivalents consist of the following:

	September 30, 2025 \$	December 31, 2024 \$
Cash	6,270,581	7,898,579
Cash equivalents	414,575	1,958,685
Total cash and cash equivalents	6,685,156	9,857,264

Cash equivalents consist of deposits that are immediately convertible to cash.