Management Discussion and Analysis
(Expressed in Canadian Dollars)

KANE BIOTECH INC.

Three and nine months ended September 30, 2026 and 2025

KANE BIOTECH INC.

Management Discussion and Analysis

The following management discussion and analysis ("MD&A") covers information up to November 25, 2026, and should be read in conjunction with the Company's audited consolidated financial statements, including the notes thereto, as at and for the year ended December 31, 2025, together with the accompanying MD&A for the year then ended, and with the unaudited condensed interim financial statements of the Company as at and for the three and nine months ended September 30, 2026 and 2025 which have been prepared using IFRS® Accounting Standards as issued by the International Accounting Standards Board, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, *"Interim Financial Reporting*".

All amounts are expressed in Canadian Dollars unless otherwise noted. Additional information regarding Kane Biotech Inc. ("Kane Biotech", "Kane" or the "Company") is available on SEDAR at www.sedarplus.ca and on the Company's at www.kanebiotech.com.

This MD&A has been prepared to help investors understand the financial performance of the Company in the broader context of the Company's strategic direction, the risks and opportunities as understood by management, and the key success factors that are relevant to the Company's performance. Management has prepared this document in conjunction with its broader responsibilities for the accuracy and reliability of the condensed interim financial statements, as well as the development and maintenance of appropriate information systems and internal controls to ensure that the financial information is complete and reliable. The Audit and Compensation Committee and the Board of Directors have reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability, and consistency.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and statements within the meaning of securities law which may not be based on historical fact, including without limitation statements containing the words "believes,", "should", "may," "plan," "will," "estimate," "predict," "continue," "anticipates," "potential", "intends," "expects," or other similar expressions. Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, events, or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. Such factors include, among others, the Company's stage of development, lack of product revenues, additional capital requirements, risks associated with the completion of clinical trials and obtaining regulatory approval to market the Company's products, the ability to protect its intellectual property and dependence upon collaborative partners. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements are made as of the date hereof, and the Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events, or developments.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- the availability of financing for the Company's ongoing business and/or the availability of financing on reasonable terms;
- our ability to successfully grow sales and distribution of our products;
- our ability to increase use of our products by existing and new customers;
- market competition;
- the Company's costs of trials;
- the Company's ability to attract and retain skilled staff;
- general business and economic conditions;
- interest rates and foreign exchange rates;
- the timing of the receipt of regulatory and governmental approvals for the Company's research and development projects;
- tax benefits and tax rates; and
- the Company's ongoing relations with its employees and with its business partners.

Management cautions the reader that the foregoing list of material factors and assumptions is not exhaustive. Actual results may differ materially from those expressed or implied in these forward-looking statements due to events or circumstances not currently anticipated. The Company undertakes no obligation to publicly update or revise any forward-looking statements or the foregoing list of factors, whether as a result of new information, future events, or otherwise.

BUSINESS OVERVIEW

Kane Biotech is engaged in the commercialization, research and development of technologies and products that prevent and remove microbial biofilms. Biofilms are thin films that develop when bacteria and other microorganisms form a protective matrix that acts as a shield against attack. Biofilms attach to and grow on living and inert surfaces. When protected by a biofilm, bacteria become up to 1,000 times more resistant to antibiotics, antimicrobials, biocides and host immune responses. Biofilms can release bacteria into the bloodstream and potentially seed other tissue sites, therefore physically removing the biofilm is key to preventing or treating a chronic wound.

According to the United States National Institutes of Health, biofilms are estimated to be responsible for 80% of all bacterial infections including chronic wound infections, chronic inflammatory skin disorders and wounds, medical device-associated and hospital acquired infections. As a result, there is significant interest in safe and effective products that can treat and prevent biofilms.

Kane Biotech's mission is to develop innovative solutions for chronic wound care and commercialize them through non-exclusive distribution and license partnerships with established wound care product providers. Kane Biotech has a portfolio of technologies, intellectual property (patents, patents pending and trademarks) and products developed by the Company's own biofilm research expertise and acquired from leading research institutions. coactive+®, revyve®, DispersinB®, DermaKB® and DermaKB Biofilm® are trademarks of Kane Biotech.

The Company is listed on the TSX Venture Exchange (the "TSXV") under the symbol "KNE".

CORPORATE UPDATE

Overview

During the nine months ended September 30, 2026 and subsequent to quarter-end, the Company continued to execute its strategy to commercialize and further develop its revyve wound care portfolio in the United States and Canada. Activities included rebuilding commercial channels and expanding distribution in both the US and in Canada, strengthening regulatory and quality infrastructure, generating clinical and scientific evidence, and securing financing to support operations. These activities reflect the Company's transition to a focused human wound care business centred on its revyve and coactiv+ platforms.

Regulatory and Product Development

In February 2026, the Company announced that it had received U.S. FDA 510(k) clearance for its revyve Antimicrobial Skin and Wound Cleanser, representing the third product within the Company's wound care portfolio to receive FDA clearance. The cleanser is intended for the mechanical cleansing, moistening, debriding and removal of foreign material, including microorganisms and debris, from a broad range of acute and chronic dermal lesions. The clearance complements the Company's existing FDA-cleared revyve Antimicrobial Wound Gel and revyve Antimicrobial Wound Gel Spray products and supports the Company's strategy to broaden its wound care product offering in the United States.

The Company's expanded ISO 13485:2016 certification under the Medical Device Single Audit Program ("MDSAP") to include distribution and the wound cleanser product category, supports the Company's regulatory and quality infrastructure and is aligned with the Company's strategy to commercialize its wound care portfolio across multiple jurisdictions.

During 2026, the Company continued to advance product development activities related to its revyve Antimicrobial Skin and Wound Cleanser and coactiv+ Antimicrobial Surgical Gel programs, including work intended to support technology transfer, manufacturing scale-up, sterilization, biocompatibility and stability-related activities.

In its September 16, 2026 Commercial Update webcast and accompanying investor presentation, the Company outlined its product-development and international expansion priorities. The revyve Antimicrobial Skin and Wound Cleanser remained in the pre-launch stage notwithstanding its existing FDA 510(k) clearance, while the development program and regulatory pathway for the coactiv+ Antimicrobial Surgical Gel remained under development. The Company also identified a planned CE Mark filing in 2027 to support potential European market entry. These plans are subject to financing, manufacturing readiness, clinical and regulatory requirements and the availability of appropriate commercial partners; regulatory clearance does not, by itself, establish commercial availability or market adoption.

Commercial and Distribution Activities

During the period, the Company expanded its commercial activities in North America through the execution of multiple non-exclusive distribution and sales agent agreements across targeted sales channels and geographic markets. This approach reflects the Company's shift toward a diversified, multi-channel commercialization model intended to broaden market access, reduce customer concentration risk and support the adoption of the revyve product line.

In March 2026, the Company announced that it had entered into a distribution relationship with Marathon Medical Corporation, a federally verified Service-Disabled Veteran-Owned Small Business and nationwide medical supply distributor. This relationship provides the Company with access to U.S. federal procurement channels, including the U.S. Veterans Affairs, Department of Defense and Indian Health Services systems. The Company believes this relationship may help streamline procurement, logistics and product onboarding for its revyve wound care products within U.S. government-authorized purchasing pathways.

During the period, the Company also continued building its contract-based U.S. sales organization, with sales representatives in place across targeted regions of the United States. The Company expects to continue to expand this group as part of its broader effort to establish a scalable commercial infrastructure for the revyve product line.

On September 2, 2026, the Company announced a non-exclusive distribution agreement with Ontario Medical Supply Inc. ("OMS") for revyve Antimicrobial Wound Gel and revyve Antimicrobial Wound Gel Spray in Canada. Under the agreement, OMS will purchase, market and support the products through its wound care sales activities, while the Company will provide approved product training and sales materials. The agreement establishes a framework for product ordering, training, customer support, quality management, traceability and complaint reporting. OMS's position as an authorized distributor and price agreement holder for Ontario Health at Home provides a potential route to the Ontario home and community care market; the agreement does not itself establish formulary inclusion or guarantee product purchases.

At the September 16, 2026, Commercial Update webcast, management described a commercial infrastructure comprising seven U.S. distributors and sales agents, seven commissioned U.S. sales representatives and three Canadian distributors and group purchasing organization partners, with 11 further agreements under discussion at that time. These figures reflect the position presented at the webcast rather than a representation that all prospective arrangements were subsequently completed. The Company's commercial priorities included distributor activation, clinician education and converting market access into paid orders, repeat purchasing and recurring revenue. Signed distribution and sales arrangements provide access to markets but do not assure sales volumes or revenue.

The webcast also described the Company's outsourced manufacturing and supply arrangements, including bulk manufacturing, filling and finishing in Quebec, spray filling and bag-on-valve packaging in Sweden, and third-party logistics in Canada and the United States. Management discussed building inventory to support anticipated demand and identifying U.S. manufacturing alternatives as a potential second source for 2027. Execution depends on financing, partner performance, product quality, manufacturing capacity and supply continuity.

On October 20, 2026, the Company announced a non-exclusive distribution agreement with The Stevens Company Limited ("Stevens"), effective October 1, 2026. The agreement authorizes Stevens to purchase and resell revyve Antimicrobial Wound Gel in 1 oz and 3 oz formats and revyve Antimicrobial Wound Gel Spray in the 5 oz format throughout Canada. Stevens supplies hospitals, long-term care homes and community healthcare providers across Canada. The agreement broadens the Company's Canadian distribution network and is intended to improve access to the revyve portfolio, although it does not guarantee product adoption or sales.

Financing and Liquidity

In May 2026, the Company announced a non-brokered private placement offering of units of the Company at a price of $0.05 per unit for gross proceeds of up to $1,000,000. Due primarily to outside investor demand, the Company increased the size of the offering to $1,160,000 and subsequently completed the offering on May 26, 2026.

At closing, the Company issued 23,200,000 units at a price of $0.05 per unit for gross proceeds of $1,160,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable into one additional common share of the Company for a period of 18 months at an exercise price of $0.06 per share, subject to the Company's right to accelerate expiry in certain circumstances. The net proceeds of the offering are expected to be used for working capital and general corporate purposes. The Company's Board Chair, Philip Renaud, participated in the offering.

In its September 16, 2026 webcast and accompanying presentation, the Company discussed seeking between $3 million and $10 million in additional financing to support commercial expansion, product development, manufacturing, market development, clinical evidence generation and working capital. The size, structure, pricing and timing of any financing remained open and subject to applicable approvals. As of the date of this MD&A, the Company has not completed a financing of this size.

On October 16, 2026, the Company announced that it had accepted an unsecured $250,000 loan from Philip Renaud, Chair of the Board of Directors and an approved control person of the Company. The loan is non-interest-bearing and repayable on demand, and no bonus was paid or is payable in connection with it. The proceeds are intended for general working capital and corporate purposes, with repayment intended from future capital raises or general revenue. The demand nature of the loan represents a liquidity obligation rather than permanent capital. The loan constitutes a related party transaction under Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions ("MI 61-101") and TSXV Policy 5.9. The Company disclosed reliance on the exemptions from the formal valuation and minority shareholder approval requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 because the fair market value of the loan did not exceed 25% of the Company's market capitalization. The loan announcement does not establish completion of the larger financing discussed at the September webcast.

The Company continues to monitor its liquidity position closely and remains reliant on external financing sources, including equity issuances, insider support, product sales and potential government funding, to fund its operations and commercialization activities. There can be no assurance that additional financing will be available when required or, if available, that it will be available on acceptable terms.

Clinical and Scientific Activities

The Company continued its focus on generating clinical and preclinical data to support the adoption of its revyve product portfolio. Clinical observations and scientific data continued to be presented at relevant conferences and in peer-reviewed publications, supporting the positioning of the Company's technologies in the wound care market. The company has so far released three key publications in 2026:

- **"Efficacy of a Novel Thermo-Reversible Wound Gel Against Antibiotic Tolerant Biofilm"** (March 2026, *Frontiers in Antibiotics*) — This peer-reviewed article co-authored with researchers from the University of Manitoba, demonstrates

how the revyve gel inactivates mature, antibiotic-tolerant *Staphylococcus aureus* and *Pseudomonas aeruginosa* biofilms.

- **"Wound Healing Property of a Novel Thermo-Reversible Wound Gel With Lasting Antimicrobial and Antibiofilm Activity"** (February 2026, *International Wound Journal*) — This peer-reviewed article co-authored with researchers from the University of Miami outlines revyve gel's thermo-reversible properties (shifting from liquid to form-fitting gel at body temperature) and its 99.99%–99.9999% bacterial reduction within 30 minutes.

- **"Multidimensional Wound Healing Outcomes in Chronic and Complex Wounds: A Real-World Case Series With a Thermoreversible Wound Gel"** (November 2026, *International Wound Journal*; announced November 4, 2026) — This peer-reviewed article reports a prospective observational case series evaluating revyve Antimicrobial Wound Gel as an adjunct to clinician-directed standard wound care in 17 adults with 28 chronic and complex wounds over up to 12 weeks. Reported findings demonstrate the importance of revyve in wound healing, wound bed characteristics and a meaningful decrease in patient-reported pain. These associations support further evaluation in larger, controlled studies.

The company is completing publications that stem from the clinical work conducted in 2025. These activities are aligned with the Company's strategy to build clinical evidence and engage key opinion leaders to support commercialization efforts.

On August 25, 2026, prior to publication of the Company's second-quarter MD&A, the Company announced that research concerning its revyve Antimicrobial Wound Gel Spray had been presented at the Military Health System Research Symposium, held August 3–5, 2026 in Kissimmee, Florida. The presentation addressed potential applications in military and prolonged field care settings, particularly in austere environments. The Company reported subsequent interest from military researchers and work towards a clinical research plan. This earlier development provides context for the Company's subsequent public discussion of potential civilian and military applications; it did not constitute a military procurement award or confirmation of clinical effectiveness in those settings.

At the September 16, 2026 webcast, the Company discussed its North American clinical evidence program, including multi-centre case-series observations, continued evidence generation in chronic wounds and burns, and the formation of a Scientific Advisory Board. The case-series evidence described in the presentation was single-arm, observational and unblinded, without a comparator. Accordingly, the findings should not be interpreted as establishing comparative effectiveness or as a substitute for controlled clinical evidence.

The Company participated in the Symposium on Advanced Wound Care ("SAWC") Fall 2026, which took place from October 15–18, 2026 in Las Vegas, Nevada. Three scientific posters concerning clinical and health-economic findings associated with revyve, including the modelled economic impact of moving chronic wounds toward healing trajectories, compatibility with hypochlorous acid irrigation and standard wound care, and the relationship between tissue oxygenation and wound-area reduction. The Company exhibited its revyve portfolio and met with existing and prospective distributors.

The Company also participated in the Wounds Canada National Hybrid Conference, which took place from October 22–24, 2026 in Niagara Falls, Ontario. Activities included exhibiting the revyve portfolio, presenting data and engaging Canadian clinicians, educators and other wound-care professionals on biofilm management and clinical practice. These activities support clinical awareness and commercial engagement.

Governance and Management

During the period, the Company continued to operate under the governance structure established in 2025, including its reconstituted Board of Directors and leadership team. At the Annual and Special Meeting of Shareholders held on June 24, 2026, all six director nominees listed in the Company's management information circular dated May 8, 2026 were re-elected to the Board

of Directors, with each nominee receiving greater than 90% of the votes cast in favour.

The Company remains focused on aligning its governance and operational structure with its commercialization strategy.

Strategic Review

On August 5, 2026, the Company announced that it had retained DNA Advisors Inc. as its exclusive financial advisor to support a comprehensive review of strategic opportunities aimed at enhancing shareholder value and advancing the Company's long-term growth objectives. The review process is expected to evaluate a range of alternatives that may strengthen the Company's position and accelerate value creation, including potential strategic partnerships, financing initiatives, business development opportunities, acquisitions, commercial collaborations and other corporate transactions. There can be no assurance that the strategic review process will result in any specific transaction or outcome, and the Company has not established a timetable for completion of the review process.

Tariffs

The Company continues to monitor announcements made by the United States government and the Supreme Court regarding U.S.-imposed tariffs on imported goods as well as any retaliatory tariff action announced by the Canadian government as a significant portion of the Company's sales will be to the United States. Although these tariff actions could be expected to have an adverse financial impact on the Company, an estimate of their full impact cannot be made at this time. To date, the Company's products exported to the United States from Canada are exempt from tariffs to the extent they meet North America rules of origin requirements in accordance with the Canada-United States-Mexico (CUSMA) Agreement.

BUSINESS STRATEGY

Kane is focused on commercializing its biofilm-related intellectual property in established markets, primarily in North America. Kane's current strategy is to focus on the four verticals of its revyve/coactiv+ wound care product portfolio (which includes revyve Antimicrobial Wound Gel; revyve Antimicrobial Wound Gel Spray; revyve Antimicrobial Skin and Wound Cleanser; and coactiv+ Antimicrobial Surgical Gel) particularly in the U.S. market, where there are substantial opportunities. This focus includes engaging with key clinical stakeholders in the United States to receive insight and expertise and generate clinical data from Kane's products. These data have been presented at various medical meetings in 2025 and 2026. In addition, the focus includes continuing to engage with key wound care and burn distributors in the United States to develop a robust distributorship pathway.

Kane's coactiv+ and DispersinB technology-based product portfolio overview is as follows:

Product	Regulatory Status	Indications / Use	Target Settings / Markets
revyve Antimicrobial Wound Gel	FDA 510(k) cleared; Health Canada approved	Management of chronic and acute wounds; antimicrobial and antibiofilm activity to support wound healing	Hospitals, outpatient wound care clinics, long-term care, military settings, home health
revyve Antimicrobial Wound Gel Spray	FDA 510(k) cleared; Health Canada approved	Management of chronic and acute wounds; sprayable format for ease of application and coverage	Burn units, hospitals, inpatient wound care, military settings, home health
revyve Antimicrobial Skin and Wound Cleanser	FDA 510(k) cleared	Cleansing of wounds and skin with antimicrobial and antibiofilm properties	Hospitals, ambulatory surgery centers (ASC), physician offices, wound clinics
coactiv+ Antimicrobial Surgical Gel (brand name pending)	Development stage	Intended for use in surgical/acute wounds, including prophylactic application to reduce risk of infection	Hospitals, operating rooms, ASC, surgical centers

		and biofilm formation	
DispersinB Wound Gel (Hydrogel)	Preclinical / Development stage; regulatory pathway under evaluation	Enzymatic biofilm disruption for potential use in chronic and acute wounds; disperses biofilm to enhance antimicrobial effectiveness	Hospitals, military settings, surgical/acute care settings, burn centers, chronic wound care markets
DispersinB Acne Cleanser	Early-stage clinical planning; Institutional Review Board (IRB) approval obtained	Intended for the treatment of acne through disruption of biofilm-associated bacteria and reduction of microbial load on the skin	Dermatology clinics, physician offices, outpatient skin care settings

In Q1 2026, the Company appointed Vice Presidents of Business Development in each of the United States and Canada to strengthen its commercial execution capabilities. Kane is also building a contract-based sales team, with team members in place across the United States, and expects to continue expanding this group throughout 2026 as part of its broader effort to establish a scalable commercial infrastructure for the revyve product line.

In Canada, the Company announced earlier that the exclusive distribution agreement with Best Buy Medical Canada, originally signed in Q1 2025, had been converted to a non-exclusive arrangement. In 2026, the Company entered into non-exclusive distribution agreements with Ontario Medical Supply Inc. (“OMS”) and The Stevens Company Limited for its revyve Antimicrobial Wound Gel and revyve Antimicrobial Wound Gel Spray, expanding its Canadian distribution network. The Company continues to advance discussions with additional Canadian distribution partners to broaden market coverage.

In the United States, the Company entered into multiple non-exclusive distribution and sales agent agreements in 2026 across targeted sales channels and geographic markets, expanding its U.S. commercial network. In March 2026, the Company announced a distribution relationship with Marathon Medical Corporation, providing access to federal procurement channels, including the U.S. Department of Veterans Affairs, Department of Defense and Indian Health Service. These arrangements support the Company’s diversified, multi-channel commercialization strategy.

During 2026, Kane received U.S. FDA 510(k) clearance for its revyve Antimicrobial Skin and Wound Cleanser and expanded its ISO 13485:2016 certification under the MDSAP to include distribution and the wound cleanser product category, building on its existing certifications for nonsterile antimicrobial wound dressings, including revyve Antimicrobial Wound Gel and revyve Antimicrobial Wound Gel Spray. This expansion is aligned with the FDA’s new Quality Management System Regulation, which came into effect in February 2026 and harmonizes U.S. requirements with ISO 13485. The expanded certification supports Kane’s ability to pursue regulatory approvals across multiple jurisdictions and demonstrates the Company’s continued investment in quality systems, compliance and operational readiness.

Collectively, these regulatory, quality system and commercial developments advance the Company’s overall business strategy by broadening the revyve wound care portfolio, strengthening the regulatory and operational infrastructure required to commercialize those products in regulated markets, and expanding access to established distribution channels in the United States and Canada. The FDA clearance for the revyve Antimicrobial Skin and Wound Cleanser adds a third FDA-cleared product to the Company’s wound care portfolio, while the expanded MDSAP certification and additional distribution relationships support market readiness, product access and the Company’s transition toward a focused human wound care commercialization business.

In 2026, as part of its longer-term strategy to build a differentiated portfolio of biofilm-focused wound care technologies, the Company resumed work on its DispersinB Hydrogel for use in surgical and acute wounds by completing internal product development activities. The program complements Kane’s commercial revyve and coactiv+ platforms by extending the Company’s antibiofilm expertise into an additional development-stage product opportunity directed at biofilm-mediated antimicrobial resistance and difficult-to-heal wounds. Approximately $0.7 million USD of funding remains available under the U.S. Department of Defense’s Medical Technology Enterprise Consortium Research Project Award for the continued development of the Company’s DispersinB Hydrogel.

Products in investigational or development stages include the following:

- coactiv+ Antimicrobial Surgical Gel for use in surgical/acute wounds
- DispersinB Hydrogel for use in surgical/acute wounds

Objectives for 2026 and progress to date include the following:

Objectives	Progress to Date
Continue revyve clinical case series in both chronic wound care and burn care patients with U.S. opinion leaders.	Clinical evaluations and case series are underway, or pending research approval, in Winnipeg, Manitoba; Scarborough and Toronto, Ontario; Dallas, Texas; New York, New York; and Rocky Mount and Raleigh, North Carolina. A North American revyve real-world data registry was launched.
Compile preclinical and clinical data on revyve for stakeholder meetings and conferences in 2026.	Data have been presented at selected meetings, with additional presentations planned for upcoming burn and wound care conferences. Peer-reviewed publications have been published.
Expand the U.S. distributor network within targeted sales channels and geographic markets and grow sales of the revyve product line in the U.S.	Ongoing.
Expand the distributor network and grow revyve product line sales in Canada.	Ongoing.
Establish a multidisciplinary Scientific Advisory Board with North American opinion leaders.	The Scientific Advisory Board has been established, with its first meeting planned for Q4 2026.
Continue product development and expansion of the revyve product portfolio, specifically the Antimicrobial Skin and Wound Cleanser and Antimicrobial Surgical Gel.	Product development activities are ongoing across the revyve product portfolio, including packaging, scale-up and validation plans for the Antimicrobial Skin and Wound Cleanser, proof-of-concept testing for the Antimicrobial Surgical Gel, and smaller-format packaging configuration work for revyve Wound Spray.
Resume preclinical product development work on the DispersinB Hydrogel for use in surgical/acute wounds in preparation for a safety clinical trial to commence in 2027.	Biocompatibility testing is to be initiated in Q4 2026.

KANE BIOTECH TECHNOLOGIES

coactiv+

Kane Biotech's patented coactiv+ is a biofilm destabilizing formula with continuous activity which is used within the revyve product pipeline. coactiv+ technology is specifically formulated to destabilize biofilm and create an environment for fast wound healing.

In addition to its already commercialized revyve Antimicrobial Wound Gel and revyve Antimicrobial Wound Spray Gel products, the Company is developing and commercializing two additional follow-on products:

- revyve Antimicrobial Skin and Wound Cleanser, which has been cleared by the FDA: Sales targets will be hospitals, ambulatory surgery centers (ASC), physician offices, mobile wound practices, home health, nursing homes, and hospital outpatient department settings. In 2026, the Company will collaborate with its external manufacturer to advance the technology transfer and scale-up of the revyve Antimicrobial Skin and Wound Cleanser, with the objective of making the product available for commercial sale in 2027.

- coactiv+ Antimicrobial Surgical Gel (brand name pending): A product for surgical/acute wounds and provided in a single use container for application in the operating room setting. The product can be applied to all types of surgical wounds and can be used prophylactically on post-surgical incisions as well. Although the initial target for this application are hospitals, ASC and physician offices are also potential markets. In 2026, the Company is focusing on finalizing the product sterilization process and completing biocompatibility studies. During the first half of 2027, the Company expects to initiate technology transfer and commence manufacturing scale-up activities, in preparation for launching this surgical gel product later in 2027.

The key ingredients of revyve and coactiv+ have been purposefully selected to provide support throughout the entire wound healing cascade.

The major advantages of the revyve product lines are as follows:

- Continuous bactericidal, biofilm destabilizing, and inhibition of bacterial activity over 7 days
- Reduction of metalloprotease and elastase activity in chronic wounds
- Buffering agent to lower and maintain favorable pH conducive for wound healing
- Thermoreversible nature to assist in application and removal during dressing changes
- Biocompatible and non-toxic
- Prophylactic treatment for acute wounds at risk for infection, such as surgical incisions, pin and catheter sites and burns
- Patent protected

DispersinB

Kane Biotech's other biofilm technology is DispersinB. In 2025, the Company renewed its exclusive worldwide license agreement with the University of Medicine and Dentistry of New Jersey, now part of Rutgers University, for all human, animal, and industrial applications of the DispersinB enzyme.

DispersinB is a naturally occurring enzyme that cleaves the bacterial surface polysaccharide poly-b-1, 6-N-acetylglucosamine (PNAG). This polysaccharide is produced by a wide range of bacteria and fungi and is a key component in biofilm formation. DispersinB cleaves PNAG, inhibiting bacterial adhesion and disperses the biofilm. This is especially useful for treating wounds, which can become chronic due to the persistent nature of the bacterial biofilms. Once the biofilm is dispersed the bacteria can be eradicated and the infection remedied.

In 2026, the Company has resumed work on its DispersinB Hydrogel for use in surgical/acute wounds by completing product development work internally. The Company is seeking pathways to appropriate regulatory routes that are expected to ultimately allow for expanded claims and indications and a more appropriate price point. The Company plans to commence a safety clinical trial in 2027.

INTELLECTUAL PROPERTY

The Company has 43 issued patents and 14 pending patents within the following global jurisdictions:

	Patents		
Jurisdiction	Issued	Pending	Total
Canada	3	4	7
United States	5	6	11
Rest of World	35	4	39
Total	43	14	57

Successful development of products to prevent and remove microbial biofilms may be dependent upon the ability to obtain approval for patents that are currently in pending status as well as successfully file new patents; however, there is no guarantee that new patents will be obtained, and, if obtained, it may not be possible to successfully defend against any subsequent infringements to these patents. Currently, the Company is not aware that it has infringed upon any existing patents issued to third parties. The Company's success may, in part, depend on operating without such infringement.

The Company's trademarks are as follows:

Trademarks	Jurisdiction
coactiv+®	Canada United States Europe United Kingdom
revyve®	Canada United States United Kingdom Europe
DispersinB®	Canada United States Europe United Kingdom
DermaKB®	Canada United States
DermaKB Biofilm®	Canada United States

OUTLOOK

The Company's direction remains centred on commercializing and developing solutions to biofilm-related problems. To advance these programs and achieve its strategic objectives, management expects to continue incurring operating losses for the foreseeable future. Following the cost reductions implemented in 2025, general and administrative and research expenditures in 2026 are expected to be at or modestly above 2025 levels as the Company continues to focus its resources on the commercialization and product development of its four revyve verticals. Revenues are expected to continue to increase quarter over quarter throughout 2026 as the Company expands commercialization of its revyve Antimicrobial Wound Gel product line in Canada, the U.S. and international markets.

The Company's funding of future operations is dependent upon its ability to raise funds primarily from financings, product sales, and research and development grants. While the Company is continually striving to derive capital from all of the above sources, there is no assurance that such sources will be sufficient to sustain its operations. The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on the successful completion of the actions taken or planned, some of which are described above. There is no certainty that these and other strategies will be sufficient to permit the Company to continue as a going concern.

The Company may elect to accelerate, terminate, or reduce its focus on certain research areas, or initiate research in new areas, depending on research progress and the availability of financial resources. These decisions are made with the goals of tightly managing the Company's cash resources and optimizing the Company's commercial opportunities. Management is not presently aware of any factors that would change its strategy in 2026. See also "Note 2(b) Going concern" to the accompanying condensed interim financial statements.

SELECTED QUARTERLY FINANCIAL INFORMATION

The selected financial information provided below is derived from Kane Biotech's unaudited quarterly for each of the last eight quarters:

Net income (loss)	Q3-2026 $	Q2-2026 $	Q1-2026 $	Q4-2025 $	Q3-2025 $	Q2-2025 $	Q1-2025 $	Q4-2024 $
Royalty	-	-	-	1,699	-	-	-	-
Sales of goods and services	46,226	8,143	43,218	(22,839)	8,499	27,997	412,513	125,859
Revenue	46,226	8,143	43,218	(21,140)	8,499	27,997	412,513	125,859
Cost of sales	27,030	6,699	47,117	(28,707)	13,627	73,523	370,066	213,063
Gross profit (loss)	19,196	1,444	(3,899)	7,567	(5,128)	(45,526)	42,447	(87,204)
Operating expenses	668,841	785,927	669,402	681,467	538,306	229,930	1,203,505	933,479
Loss and comprehensive loss from continuing operations before income tax	(699,724)	(829,779)	(710,604)	(654,861)	(607,345)	(348,541)	(1,218,497)	(1,082,935)
Net income (loss) from continuing operations attributable to shareholders	(704,421)	(833,636)	(714,827)	(546,856)	(607,345)	(348,541)	(1,218,497)	227,321
Net loss from discontinued operations attributable to shareholders	-	-	-	-	-	-	-	(1,310,256)
Net loss attributable to shareholders	(704,421)	(833,636)	(714,827)	(546,856)	(607,345)	(348,541)	(1,218,497)	(1,082,935)
Loss per share from continuing operations attributable to shareholders	(0.00)	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)	(0.01)	0.00
Net loss per share attributable to shareholders	(0.00)	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)

It is important to note that historical patterns of expenditures cannot be taken as an indication of future expenditures. The amount and timing of expenditures, and therefore liquidity and capital resources, may vary substantially from period to period depending on the business and research activities being undertaken at any one time and the availability of funding from investors and prospective commercial partners.

Royalty revenue is derived from the licensing agreement with Omni Bioceutical Innovations Inc. for its use of Kane's coactiv+ technology in products manufactured for the hair and scalp care market.

In 2026, revenue was derived from sales of the Company's revyve product line. In addition, during Q1 2026, the Company completed the liquidation of its DermaKB product inventory to an independent third party. In Q4 2024 and Q1 2025, the Company recorded services revenue associated with the contract manufacturing of animal health products for Dechra Veterinary Products LLC ("Dechra") following the sale of STEM to Dechra. During Q1 2025, the Company completed its animal health manufacturing activities for Dechra and subsequently closed its animal health manufacturing facility. Service revenue of $40,280, related to animal health contract manufacturing services recognized in a prior period, was adjusted down in Q4 2025.

In Q4 2024, the Company recorded $204,423 in inventory write-downs primarily associated with its DermaKB product line of which $43,813 was subsequently reversed in Q4 2025.

The Company's operating expenses relate primarily to product development programs, the ongoing commercialization of its revyve product line, and general and administrative expenses. The Company's operations are not subject to any material seasonality or cyclical factors.

Operating expenses can vary significantly from quarter to quarter primarily due to fluctuations in product development expenditures related to the Company's ongoing development of its coactiv+-based Antimicrobial Wound Gel and DispersinB-based Hydrogel product pipelines, commercialization activities associated with the Company's revyve product line, legal expenses associated with financings, and non-cash expenditures related to the Company's equity-based incentive plans. Since Q1 2025, the Company's operating expenses have trended significantly lower due to a number of cost reduction initiatives implemented by management beginning in Q2 2025.

The selected quarterly financial information table above reflects the financial impact of discontinued operations in Q4 2024, following the sale of STEM in Q2 2024.

RESULTS OF OPERATIONS

Revenue

In 2026, revenue was derived primarily from the sales of the Company's revyve and DermaKB products lines.

In 2025, revenue was derived primarily from the sales of the Company's revyve and DermaKB product lines as well as animal health contract manufacturing and quality control services.

The Company's revenue by category for the three months ended September30, 2026 and 2025 is summarized in the table below:

Three months ended September 30,	2026	2025	Change	%Change
Products	$ 46,226	$ 2,856	$ 43,370	1519%
Services	-	5,643	(5,643)	-100%
Total Revenue	$ 46,226	$ 8,499	$ 37,727	444%

Product sales for the three months ended September 30, 2026 were derived from sales of the Company's revyve product line. Total product sales were $46,226, of which $39,918 came from five new customers and $6,308 from four repeat customers. By geography, sales were $19,480 in the United States, $4,357 in Canada and $22,389 in international markets.

Product sales for the three months ended September 30, 2025 were derived from sales of the Company's DermaKB product line, the remaining inventory of which was subsequently liquidated in Q1 2026.

Services revenue for the three months ended September 30, 2025 was derived from animal health quality control services.

The Company's revenue by category for the nine months ended September 30, 2026 and 2025 is summarized in the table below:

Nine months ended September 30,	2026	2025	Change	%Change
Products	$ 97,587	$ 11,739	$ 85,848	731%
Services	-	437,270	(437,270)	-100%
Total Revenue	$ 97,587	$ 449,009	$ (351,422)	-78%

Product sales for the nine months ended September 30, 2026 and 2025 were derived from sales of the Company's revyve and DermaKB product lines.

Services revenue for the nine months ended September 30, 2025 was derived from animal health contract manufacturing and quality control services.

Gross Profit (Loss)

The Company's gross profit (loss) for the three months ended September 30, 2026 and 2025 is summarized in the table below:

Three months ended September 30,	2026	2025	Change	%Change
Revenue	$ 46,226	$ 8,499	$ 37,727	444%
Cost of sales	27,030	13,627	13,403	98%
Gross profit (loss)	$ 19,196	$ (5,128)	$ 24,324	474%

Gross profit for the three months ended September 30, 2026 was generated from the Company's revyve product line.

Gross loss for the three months ended September 30, 2025 was primarily attributable to revyve product stability testing expenses, which are classified as operating expense in the current period.

The Company's gross loss for the nine months ended September 30, 2026 and 2025 is summarized in the table below:

Nine months ended September 30,	2026	2025	Change	% Change
Revenue	$ 97,587	$ 449,009	$ (351,422)	-78%
Cost of sales	80,846	457,216	(376,370)	-82%
Gross profit (loss)	$ 16,741	$ (8,207)	$ 24,948	304%

Gross profit for the nine months ended September 30, 2026 was related to sales of revyve wound gel and the liquidation of the Company's DermaKB product inventory during the period.

Gross loss for the nine months ended September 30, 2025 was primarily attributable to one-time inventory adjustments and period expenses related to the Company's animal health and revyve product lines.

General and Administration Expenses

General and administrative expenses consist of costs not directly related to research and development, including employee compensation, business development, quality assurance, commercialization activities, and professional services such as consulting, legal, audit, and investor relations.

The changes in general and administration expenditures by category for the three months ended September 30, 2026 and 2025 are reflected in the following table:

Three months ended September 30,	2026	2025	Change	% Change
Compensation related costs and consulting fees	$ 277,860	$ 283,373	$ (5,513)	-2%
Business development costs	186,885	92,091	94,794	103%
Legal costs	2,439	6,661	(4,222)	-63%
Other administration costs	118,084	26,616	91,468	344%
Government assistance	(3,808)	(12,667)	8,859	-70%
General and administration expenses	$ 581,460	$ 396,074	$ 185,386	47%

Lower compensation-related costs and consulting fees for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to lower salaries and consulting expenses in the current period, partially offset by higher long-term compensation expense.

Higher business development costs, for the three months ended September 30, 2026, compared to the same period in 2025, are primarily due to higher contractor and recruiting costs associated with the expansion of revyve product commercialization activities in Canada and the US, partially offset by lower investor relations costs.

Lower legal costs for the three months ended September 30, 2026, compared to the same period in 2025, were primarily due to lower general legal fees recorded in the current period.

Higher other administration costs for the three months ended September 30, 2026, compared to the same period in 2025, are primarily due to higher recorded audit expenses and an allowance for doubtful accounts recorded in the current period and a gain on the sale of office furniture recorded in the comparative period following the termination of the Company's office lease.

Lower government assistance recognized for the three months ended September 30, 2026, compared to the same period in 2025, is primarily due to funding received from the National Research Council of Canada Industrial Research Assistance Program ("NRC IRAP") in the comparative period.

The changes in general and administration expenditures by category for the nine months ended September 30, 2026 and 2025 are reflected in the following table:

Nine months ended September 30,	2026	2025	Change	% Change
Compensation related costs and consulting fees	$ 906,556	$ 913,420	$ (6,864)	-1%
Business development costs	473,662	370,946	102,716	28%
Legal costs	40,110	25,970	14,140	54%
Other administration costs	297,382	214,635	82,747	39%
Government assistance	(3,808)	(46,708)	42,900	-92%
General and administration expenses	$ 1,713,902	$ 1,478,263	$ 235,639	16%

Lower compensation-related costs and consulting fees for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to lower salaries and benefits in the current period. This decrease was partially offset by stock option expense recorded in the current period and the impact of a one-time reversal of restricted share unit expense recorded in the comparative period.

Higher business development costs for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 were primarily due to higher contractor costs, partially offset by lower sales promotion, travel and investor relations expenses in the current period.

Higher legal costs for the nine months ended September 30, 2026, compared to the same period in 2025, were primarily due to a one-time adjustment to legal fees recorded in the comparative period, partially offset by lower general legal expenditures in the current period.

Higher other administration costs for the nine months ended September 30, 2026, compared to the same period in 2025, were primarily due to increased audit fees and insurance expense, an allowance for doubtful accounts recorded in the current period, and a gain on the sale of office equipment recorded in the comparative period. These increases were partially offset by lower office operating expenses following the termination of the Company's office lease in 2025 and lower amortization expense

Lower government assistance recognized for the nine months ended September 30, 2026, compared to the same period in 2025, is primarily due to funding received from NRC IRAP in the comparative period.

Research and Development Expenses

Research and development expenses relate to the Company's ongoing research and development programs. As the Company operates in the development and commercialization stage, it allocates a significant portion of its financial resources to research activities and the advancement of market-ready products.

The changes in research and development expenses by category for the three months ended September 30, 2026 and 2025 are reflected in the following table:

Three months ended September 30,	2026	2025	Change	% Change
Compensation related costs and consulting fees	$ 64,729	$ 48,939	$ 15,790	32%
Contract research and scientific consulting	46,039	57,805	(11,766)	-20%
Patent related costs and other intangibles expensed	28,278	41,157	(12,879)	-31%
Other research costs	16,715	48,730	(32,015)	-66%
Government assistance	(68,380)	(36,993)	(31,387)	85%
Research expenses	$ 87,381	$ 159,638	$ (72,257)	-45%

Higher compensation-related costs and consulting fees for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to higher long-term compensation expense recorded in the current period.

Lower contract research and scientific consulting costs for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to lower scientific consulting costs and lower revyve Antimicrobial Wound

Gel stability testing expenses recorded in the current period.

Lower patent-related costs and other intangibles expenses for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to lower patent maintenance fees in the current period.

Lower other research costs for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to the termination of the Company's laboratory lease in Q1 2026 and the resulting reduction in related operating expenses.

Higher government assistance recorded in the three months ended September 30, 2026 compared to the three months ended September 30, 2025 is primarily due to higher Scientific Research and Experimental Development ("SR&ED") investment tax credits, partially offset by NRC IRAP funding recorded in the prior period.

The changes in research and development expenses by category for the nine months ended September 30, 2026 and 2025 are reflected in the following table:

Nine months ended September 30,	2026	2025	Change	% Change
Compensation related costs and consulting fees	$ 188,164	$ 108,639	$ 79,525	73%
Contract research and scientific consulting	97,600	231,812	(134,212)	-58%
Patent related costs and other intangibles expensed	119,664	135,454	(15,790)	-12%
Other research costs	81,220	189,373	(108,153)	-57%
Government assistance	(76,380)	(154,394)	78,014	-51%
Research expenses	$ 410,268	$ 510,884	$ (100,616)	-20%

Higher compensation-related costs and consulting fees for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to a contractor expense reversal recorded in the comparative period, partially offset by lower salaries in the current period due to lower staffing levels.

Lower contract research and scientific consulting costs for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to revyve Antimicrobial Wound Gel Spray scale-up costs, DispersinB product development costs and scientific consulting fees incurred in the comparative period, as well as lower stability testing costs in the current period. These decreases were partially offset by higher revyve Antimicrobial Skin and Wound Cleanser and Antimicrobial Surgical Gel development costs in the current period.

Lower patent-related costs and other intangibles expenses for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to lower patent maintenance fees and lower patent write-off expenses in the current period.

Lower other research costs for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to the termination of the Company's laboratory lease in Q1 2026 and the resulting reduction in related operating expenses.

Lower government assistance recorded in the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 is primarily due to higher Scientific Research and Experimental Development ("SR&ED") investment tax credits, offset by NRC IRAP funding recorded in the prior period.

Other income (expenses)

The changes in other income (expenses) for the three and nine months ended September 30, 2026 and 2025 are reflected in the following table:

Three months ended September 30,	2026	2025	Change
Finance income	$ 2,820	$ 7,953	$ (5,133)
Finance expenses	(53,548)	(69,198)	15,650
Foreign exchange gain (loss), net	649	(2,666)	3,315
Gain on lease termination	-	17,406	(17,406)
Net other expenses	$ (50,079)	$ (46,505)	$ (3,574)

Lower finance expenses for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, were primarily due to the absence of accretion expense in the current period related to the Company's laboratory and office leases, which were terminated in prior periods, together with lower accretion expense recognized on the PrairiesCan loan. These decreases were partially offset by accretion expense recognized on the convertible loan in the current period.

The gain on lease termination recognized in the comparative period related to the termination of the Company's office lease in Q3 2025.

Nine months ended September 30,	2026	2025	Change
Finance income	$ 9,278	$ 15,992	$ (6,714)
Finance expenses	(158,420)	(232,618)	74,198
Fair value adjustment	-	20,997	(20,997)
Foreign exchange gain (loss), net	(3,931)	1,194	(5,125)
Gain on lease termination	20,395	17,406	2,989
Net other expenses	$ (132,678)	$ (177,029)	$ 44,351

Lower finance expenses for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025, were primarily due to lower accretion expense in the current period related to the Company's terminated laboratory and office leases, as well as lower accretion expense on the PrairiesCan loan. These decreases were partially offset by higher accretion expense on the convertible loan in the current period.

The gain on lease termination relates to the termination of the Company's laboratory lease in Q1 2026 and its office lease in Q3 2025.

Loss and comprehensive loss

The loss and comprehensive loss for the three and nine months ended September 30, 2026 and 2025 are reflected in the following tables:

Three months ended September 30,	2026	2025	Change
Loss and comprehensive loss	$ (704,421)	$ (607,345)	$ (97,076)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)

Nine months ended September 30,	2026	2025	Change
Loss and comprehensive loss	$ (2,252,884)	$ (2,174,383)	$ (78,501)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.00)

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Company has primarily financed its operations from revenues, public and private sales of equity, the exercise of warrants, loans and convertible notes, government grants and tax credits. The Company reported cash of $595,033 as of September 30, 2026 compared to $901,698 as of December 31, 2025.

Cash used in operating activities

Cash used in operating activities for the three months ended September 30, 2026 was $253,517, compared to $698,218 for the three months ended September 30, 2025. The decrease was primarily due to cash generated by net working capital in the current period, compared to cash used in net working capital in the comparative period.

Cash used in operating activities for the nine months ended September 30, 2026 was $1,373,491 compared to $2,574,805 for the nine months ended September 30, 2025. The decrease was primarily due to cash generated by net working capital in the current period, compared to cash used in net working capital in the comparative period.

Cash provided by (used in) financing activities

Cash provided by financing activities for the three months ended September 30, 2026 was $nil, compared to $30,094 used in financing activities for the three months ended September 30, 2025. The prior-period cash used in financing activities related to facility lease payments.

Cash provided by financing activities for the nine months ended September 30, 2026 was $1,118,139, compared to $3,186,299 for the nine months ended September 30, 2025. The decrease was primarily due to proceeds from the convertible loan and higher proceeds from private placements received in the comparative period.

Cash provided by (used in) investing activities

Cash used in investing activities for the three months ended September 30, 2026 was $6,179, compared to $54,388 provided by investing activities for the three months ended September 30, 2025. Net cash provided by investing activities in the comparative period relates primarily to proceeds from the sale of office equipment.

Cash used in investing activities for the nine months ended September 30, 2026 was $51,313, compared to $31,245 for the nine months ended September 30, 2025. The increase in cash used was primarily due to proceeds from the sale of office equipment in the comparative period, partially offset by higher expenditures on intangible assets in the comparative period than in the current period.

The Company continues to pursue additional distribution and licensing partners for its various products and technologies to enhance future liquidity. The Company also intends to maximize the use of available government grant programs to help offset a portion of its research costs.

However, it is possible that these sources of cash inflows will not be sufficient to entirely fund the Company's planned research activities and administration costs in future periods. Historically, management has secured funding for its operations through the issuance of equity, loans, and others means and intends to continue to do so.

The Company manages its operational spending and determines its future financing requirements through a process of budgeting and ongoing cash flow forecasting.

Common shares, restricted share units, warrants, and stock options

The following table provides a summary of the Company's outstanding common shares, restricted share units, warrants and stock options.

	November 25, 2026	September 30, 2026	December 31, 2025
Common shares issued and outstanding	205,206,565	205,206,565	181,596,565
Restricted Share Units	13,004,566	13,004,566	13,114,440
Warrants	23,392,000	23,392,000	566,100
Stock options	10,595,000	10,595,000	500,000

A summary of the Company's share capital may be found in Note 11 of the accompanying condensed interim financial statements.

CONTRACTUAL OBLIGATIONS

The Company periodically enters into credit and funding agreements, long term contractual agreements for the licensing of technologies, facility and equipment lease agreements and consulting service agreements. The following table presents commitments arising from outstanding agreements in force over the next seven years:

	Payments due by Period				
	Within 1 year	2-3 years	4-5 years	6-7 years	Total
Canadian Dollars :					
Accounts payable and accrued liabilities	$ 1,276,333	$ -	$ -	$ -	$ 1,276,333
Other liability	348,172	-	-		348,172
Government loans	1,213,799	223,267	-	-	1,437,066
Convertible loan	-	-	1,159,274	-	1,159,274
	$ 2,838,304	$ 223,267	$ 1,159,274	$ -	$ 4,220,845
US Dollars :					
Quality management platform fee (USD)	$ 26,756	$ -	$ -	$ -	$ 26,756
Licence maintenance fees (USD)	10,000	10,000	20,000	20,000	60,000
	$ 36,756	$ 10,000	$ 20,000	$ 20,000	$ 86,756

GUARANTEES

The Company periodically enters into research and license agreements with third parties that include indemnification provisions customary in the industry. These provisions generally require the Company to compensate the counterparty for certain damages and costs arising from claims related to research and development activities conducted on the Company's behalf. In some instances, the maximum potential future payments under these indemnification arrangements may be unlimited. Such provisions typically survive termination of the underlying agreement. Due to the nature of these obligations, the Company is unable to reasonably estimate the maximum potential exposure. Historically, the Company has not made any indemnification payments under these agreements, and no amounts have been accrued in the accompanying condensed interim financial statements in respect of these obligations.

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

The Company does not have any off-Statement of Financial Position arrangements.

CONTROLS

As a result of the Company's limited administrative staffing levels, internal controls that rely on segregation of duties are not always practical or feasible. Management has implemented compensating controls, including enhanced Audit and Compensation Committee oversight and increased review and approval by the Chief Financial Officer of key transactions, to mitigate these limitations. Due to current resource constraints and the Company's stage of development, it does not have the size or scale to justify the addition of personnel to address this potential weakness at this time. Accordingly, the Company relies significantly on these compensating procedures, as well as senior management review and approval, to help mitigate the associated risks.

As a TSXV issuer, the Company is not required to certify the design and evaluation of the Company's disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), and as such has not completed such an evaluation. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of condensed interim financial statements in conformity with International Financial Reporting Standards ("IFRS") requires the Company to select from possible alternative accounting principles and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the statements of financial position date and reported costs and expenditures during the reporting period. Management believes that the estimates and assumptions upon which the Company relies are reasonable based upon information available at the time these estimates and assumptions are made. Estimates and assumptions may be revised as new information is acquired and are subject to change.

In addition to the going concern assumption described above, management believes that its most critical accounting policies and estimates relate to the following areas, with reference to notes contained in the accompanying condensed interim financial statements:

Revenue recognition

The Company's accounting policy over revenue recognition may be found in Note 3(b) in the consolidated financial statements for the year ended December 31, 2025.

The Company has consistently applied accounting policies in accordance with IFRS 15 Revenue from Contracts with Customers ("IFRS 15") to all periods presented in these condensed interim financial statements. These policies are as follows:

The Company sells its revyve products in Canada and the United States through non-exclusive distribution and sales agent agreements. Revenue from product sales to distributors is recognized, net of discounts, when control of the products has transferred to the distributor in accordance with the agreed shipping terms. The Company also has exclusive distribution agreements in certain international markets, under which revenue from product sales is recognized on the same basis.

The Company has license agreements under which it earns royalties on its licensees' sales. Under one such agreement, a quarterly royalty is calculated as a percentage of the licensee's gross profit. Under another, the annual royalty is the greater of a guaranteed annual minimum and a percentage of net sales; however, this royalty becomes payable only from the calendar year in which the licensee makes its first sale of a product that incorporates the Company's technology. That licensee has not yet commenced such sales, and accordingly no royalty revenue has been recognized under this agreement. Royalties are recognized as the related sales occur. Where a guaranteed annual minimum royalty applies, the Company recognizes the minimum over time and recognizes any excess royalty as the related sales occur.

Sales based milestone payments are recognized as revenue only when the applicable sales target has been met.

Revenue from the sales of goods and services, net of discounts, is recognized when control of those goods has been transferred to the customer or the related services have been rendered.

Research and development costs

The Company's accounting policy over research and development costs may be found in Note 3(g)(i) in consolidated financial statements for the year ended December 31, 2025. Research expenditures are expensed as incurred. Development expenditures

are deferred when they meet the criteria for capitalization in accordance with IFRS and the future benefits could be regarded as being reasonably certain. No development expenditures have been capitalized to date and there are no plans to capitalize development expenditures in the foreseeable future. Related Scientific Research & Experimental Development (SR&ED) investment tax credits are accounted for as a reduction to research and development expenditures in the period that they are earned and only to the extent they are refundable. Non-refundable SR&ED investment tax credits are not recorded in the condensed interim financial statements as there is no assurance at this time there will be sufficient taxable income in the future to utilize those tax credits.

Patents and trademarks

The Company's accounting policy over patents and trademarks may be found in Notes 3(g)(ii) in the consolidated financial statements for the year ended December 31, 2025. Patents and trademarks are reviewed for impairment on an ongoing basis whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell or its value in use. The fair value less costs to sell calculation is based on available data from observable market prices, less incremental costs. The value in use calculation is based on a discounted cash flow model. These calculations require the use of estimates and forecasts of future cash flows. Qualitative factors, including market size and market growth trends, strength of customer demand and degree of variability in cash flows, as well as other factors, are considered when making assumptions regarding future cash flows and the appropriate discount rate. A change in any of the significant assumptions of estimates used to evaluate the underlying assets could result in a material change to the results of operations.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment had been recognized. Write-downs as a result of impairment are recognized in research expense in the statement of loss and comprehensive loss.

Share-based compensation

The Company's accounting policy over share-based compensation may be found in Notes 3(i)(ii),16(c) and 16(d) in the consolidated financial statements for the year ended December 31, 2025.

Where the Company issues restricted share units to its employees, directors, officers or consultants, the fair value of these units is derived from the Company's closing share price on the TSXV on the date of issuance.

Where the Company issues stock options to its employees, directors, officers or consultants, the fair value of the options is derived using the Black Scholes pricing model. The application of this pricing model requires Management to make assumptions regarding several variables, including the expected life of the options and warrants, the price volatility of the Company's stock over a relevant timeframe, the determination of a relevant risk-free interest rate and an assumption regarding the Company's dividend policy in the future.

A summary of all the Company's material accounting policies and estimates may be found in Notes 2 and 3 to the consolidated financial statements for the year ended December 31, 2025.

RISKS AND UNCERTAINTY

Kane Biotech operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control. The Company is subject to risks both inherent and not inherent to the biotechnology industry, including:

Risks Related to the Company's Financial Condition

* The Company has not derived sufficient revenues to date from the commercial sale of its antibiofilm technology and products to offset its costs. In light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses are expected to continue.

* The Company's business is subject to the ability of third-party sales agents and distributors to effectively execute the sales and distribution of the Company's products.

* The Company has relied primarily upon equity financing and loans over the years to support operations and will continue to need significant amounts of additional capital. Historically, management has secured the capital for its operations be it through the equity markets, loans and other means and continues to explore various options to diversify capital sources.

* The Company has relied upon non-dilutive government funding to support some of its research and development programs and other operations. This funding is contingent upon certain deliverables being fulfilled as mandated by the government agencies.

* The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates.

The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, equity financing and government funding. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The availability of financing will be affected by the results of scientific and clinical research, the ability to obtain regulatory approvals, market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, available government funding and other relevant commercial considerations.

Risks Related to the Company's Financial Management

The Company is subject to ongoing foreign exchange, interest rate, credit and liquidity risks. The management of these risks is described in Note 23 of the consolidated financial statements for the year ended December 31, 2025.

Risks Related to the Company's Business and Operations

* The Company is in various stages of development of its technologies and products and is dependent on the successful commercialization of its technologies and products to prevent and remove microbial biofilms. Delays may cause the Company to incur additional costs which could adversely affect the Company's liquidity and financial results.

* The Company's business is subject to significant government regulation and failure to achieve regulatory approval of its products would negatively affect the business.

* The Company can rely on contract manufacturers as part of its product development strategy, and it would be negatively affected if it is not able to maintain these relationships and/or the contract manufacturers failed to maintain appropriate quality levels.

* Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its products compared with any alternatives.

* The Company's industry is characterized by rapid change and a failure by the Company to react to these changes could have a material adverse effect on its business.

* If the Company fails to hire or retain needed personnel, the implementation of its business plan could slow and future growth could suffer.

* The Company operates in a highly competitive market and may face increased pressure from established and emerging competitors, which could adversely impact pricing, market share and commercialization success.

* Participation in government and institutional procurement processes, including competitive tenders, may limit pricing flexibility and does not guarantee contract awards, which could affect revenue generation.

* Geopolitical instability, including changes in international relations or government priorities, could disrupt supply chains,

regulatory environments or access to key markets.

* The imposition of tariffs or changes in trade policies could increase the cost of raw materials or finished goods and negatively impact margins and competitiveness.

* The Company relies on third-party distributors and sales agents for commercialization, and any failure by such parties to perform effectively could adversely affect sales, market penetration and customer relationships.

* The Company may become subject to reporting obligations under the Physician Payments Sunshine Act, and failure to comply with such requirements could result in administrative burdens, penalties and reputational risk.

Risks Relating to the Intellectual Property

* Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely.

* The Company is dependent on strategic partners, including contract research organizations, as part of its product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships.

Kane Biotech views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will continue to be filed by the Company to ensure the highest level of protection possible is obtained for its products and technologies. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all information developed or made known during the course of the engagement with the Company is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Kane Biotech, using its property, or relating to its business and conceived or completed during the period covered by the agreement are the exclusive property of the Company.

Risks Relating to the Company's Common Shares

* The Company has not paid and does not intend to pay any cash dividends on its common shares and therefore, its shareholders may not be able to receive a return on their shares unless they sell them.

* The market price and trading volume of the Company's common shares may be volatile. In addition, variations in future earnings estimates by securities analysts and the market prices of the securities of the Company's competitors may also lead to fluctuations in the trading price of the common shares.

* The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

* To date, no dividends have been declared or paid on the common shares, and it is not expected that dividends will be declared or paid in the immediate or foreseeable future. The policy of the Board of Directors of the Company is to reinvest all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Kane Biotech will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.