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BLUE STAR FOODS CORP.

FORM 10-Q
(Quarterly Report)

Filed 11/23/26 for the Period Ending 09/30/26

Address	3330 CLEMATIS STREET SUITE 217 WEST PALM BEACH, FL, 33401
Telephone	800-341-2684
CIK	0001730773
Symbol	BSFC
SIC Code	2092 - Prepared Fresh or Frozen Fish and Seafoods
Industry	Food Processing
Sector	Consumer Non-Cyclicals
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-40991

BLUE STAR FOODS CORP.
(Exact name of registrant as specified in its charter)

Delaware	82-4270040
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

3000 NW 109th Avenue
Miami, Florida 33172
(Address of principal executive offices)

(305) 836-6858
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value	BSFC	Over The Counter Markets Group

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated Filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 4, 2026, there were 107,585 shares of the registrant’s common stock outstanding.

BLUE STAR FOODS CORP.

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2026

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements include, among others, those statements including the words "believes", "anticipates", "expects", "intends", "estimates", "plans" and words of similar import. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are based on our current expectations and assumptions regarding our business, potential target businesses, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore that you should not rely on any of these forward-looking statements as statements of historical fact or as guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include changes in local, regional, national or global political, economic, business, competitive, market (supply and demand), regulatory conditions and the following:

- Our ability to raise capital when needed and on acceptable terms and conditions;
- Our ability to make acquisitions and integrate acquired businesses into our company;
- Our ability to attract and retain management with experience in the business of importing, packaging and selling of seafood;
- Our ability to negotiate, finalize and maintain economically feasible agreements with suppliers and customers;
- The availability of crab meat and other premium seafood products we sell;
- The intensity of competition; and
- Changes in the political and regulatory environment and in business and fiscal conditions in the United States and overseas.

A description of these and other risks and uncertainties that could affect our business appears in the section captioned "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025 which we filed with the Securities and Exchange Commission ("SEC") on May 22, 2026. The risks and uncertainties described under "Risk Factors" are not exhaustive.

Given these uncertainties, readers of this Quarterly Report on Form 10-Q ("Quarterly Report") are cautioned not to place undue reliance on such forward-looking statements. We disclaim 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 events or developments.

All references in this Quarterly Report to the "Company", "we", "us", or "our", are to Blue Star Foods Corp., a Delaware corporation, and its consolidated subsidiaries, John Keeler & Co., Inc., d/b/a Blue Star Foods, a Florida corporation ("Keeler & Co."), and its wholly-owned subsidiary, Coastal Pride Seafood, LLC, a Florida limited liability company ("Coastal Pride"), Taste of BC Aquafarms, Inc., a corporation formed under the laws of the Province of British Columbia, Canada ("TOBC") and Afritex Ventures, Inc., a Florida corporation ("AFVFL").

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States and the rules of the SEC, and should be read in conjunction with the audited financial statements and notes thereto contained in our Annual Report on Form 10-K for the year ended December 31, 2025. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the periods presented have been reflected herein. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

Blue Star Foods Corp.
CONSOLIDATED BALANCE SHEETS

	SEPTEMBER 30, 2026 Unaudited	DECEMBER 31, 2025 Audited
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,848	$ 14,436
Accounts receivable, net of allowances and credit losses of $25,141 and $24,117	48,050	55,091
Inventory	177,631	404,979
Other current assets	609,967	594,220
Advance to related party	91,521	91,925
Total Current Assets	930,017	1,160,651
FIXED ASSETS, net	86,900	106,150
RIGHT OF USE ASSET	39,696	50,097
OTHER ASSETS	64,467	69,336
TOTAL ASSETS	$ 1,121,080	$ 1,386,234
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payables	$ 751,955	$ 538,635
Accrued expense	716,991	$ 355,283
Accrued compensation	480,000	480,000
Convertible notes, net of debt discounts	55,500	55,500
Convertible notes, at fair value	2,014,971	1,822,102
Current maturities of lease liabilities	39,696	39,577
Loan payable, net of non current portion	349,866	364,254
Other current liabilities	4,789	33,367
Total Current Liabilities	4,413,768	3,688,718
LONG-TERM LIABILITIES		
Lease liability, net of current portion	-	10,520
Loan payable, net of current portion	33,455	43,498
TOTAL LIABILITIES	4,447,223	3,742,736
STOCKHOLDERS' EQUITY		
Series A Super-Voting Convertible Preferred Stock, $0.0001 par value; 5,000,000 shares authorized, 1,550,000 shares issued and outstanding as of September 30, 2026, and 1,000,000 shares issued and outstanding as of December 31, 2025	155	100
Common stock, $0.0001 par value, 5,000,000,000 shares authorized; 107,522 shares issued and outstanding as of September 30, 2026, and 57,367 shares issued and outstanding as of December 31, 2025	11	6
Additional paid-in capital	47,815,574	47,658,718
Accumulated other comprehensive loss	(44,342)	(67,171)
Accumulated deficit	(51,021,063)	(49,871,732)
Stock subscription receivable	(155)	(100)
Treasury stock, 151 shares as of September 30, 2026 and 151 shares as of December 31, 2025	(76,323)	(76,323)
TOTAL STOCKHOLDERS' EQUITY	(3,326,143)	(2,356,502)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,121,080	$ 1,386,234

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

Blue Star Foods Corp.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
REVENUE, NET	$ 290,385	$ 462,260	$ 1,073,061	$ 2,595,358
COST OF REVENUE	117,264	34,444	594,128	1,823,208
GROSS PROFIT (LOSS)	173,121	427,816	478,933	772,150
COMMISSIONS	-	425	-	885
SALARIES AND WAGES	98,737	239,299	466,562	842,809
DIRECTOR COMPENSATION	138,012	138,012	414,036	414,036
DEPRECIATION AND AMORTIZATION	6,386	6,269	19,157	19,587
OTHER OPERATING EXPENSES	220,309	456,599	544,163	1,373,017
LOSS FROM OPERATIONS	(290,323)	(412,788)	(964,985)	(1,878,184)
OTHER INCOME	21,938	68,531	75,880	73,280
CHANGE IN FAIR VALUE OF DERIVATIVE AND WARRANT LIABILITIES	-	19,628	-	49,565
CHANGE IN FAIR VALUE OF CONVERTIBLE NOTES	(67,073)	-	(146,151)	-
LOSS ON SETTLEMENT OF DEBT	(3,320)	(52,205)	(50,561)	(93,271)
INTEREST EXPENSE	(10,115)	(104,131)	(63,514)	(484,102)
NET LOSS	(348,893)	(480,965)	(1,149,331)	(2,332,713)
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (348,893)	$ (480,965)	$ (1,149,331)	$ (2,332,713)
COMPREHENSIVE LOSS:				
CHANGE IN FOREIGN CURRENCY TRANSLATION ADJUSTMENT	(15,157)	27,218	22,829	(66,030)
COMPREHENSIVE LOSS	$ (364,050)	$ (453,747)	$ (1,126,502)	$ (2,398,743)
Loss per common share:				
Net loss per common share - basis and diluted	$ (3.27)	$ (42.55)	$ (11.49)	$ (189.02)
Weighted average common shares outstanding - basic and diluted	106,652	11,305	100,087	12,341

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

Blue Star Foods Corp.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED)
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025

	Series A Preferred Stock $.0001 par value		Common Stock $.0001 par value		Additional Paid-in	Accumulated	Stock Subscription	Accumulated Other Comprehensive	Treasury	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Receivable	Income (Loss)	Stock	Equity
December 31, 2025	1,000,000	$100.00	57,367	$ 6	$47,658,718	$(49,871,732)	$ (100)	$ (67,171)	$(76,323)	$ (2,356,502)
Stock based compensation	-	-	-	-	3,012	-		-	-	3,012
Common stock issued for service	-	-	2,554	-	33,000	-		-	-	33,000
Common stock issued for note payment	-	-	42,601	4	106,821	-		-	-	106,825
Series A Super-Voting Convertible Preferred Stock	550,000	55	-	-	-	-	(55)	-	-	-
Net Loss	-	-	-	-	-	(735,313)		-	-	(735,313)
Cumulative translation adjustment	-	-	-	-	-	-		(19,433)	-	(19,433)
March 31, 2026	1,550,000	155	102,522	10	47,801,551	(50,607,045)	(155)	(86,604)	(76,323)	$ (2,968,411)
Stock based compensation	-	-	-	-	3,012	-	-	-	-	3,012
Net Loss	-	-	-	-	-	(65,125)	-	-	-	(65,125)
Cumulative translation adjustment	-	-	-	-	-	-	-	57,419	-	57,419
June 30, 2026	1,550,000	155	102,522	10	47,804,563	(50,672,170)	(155)	(29,185)	(76,323)	(2,973,105)
Stock based compensation	-	-	-	-	3,012	-	-	-	-	3,012
Common stock issued for note payment	-	-	5,000	1	7,999	-	-	-	-	8,000
Net Loss	-	-	-	-	-	(348,893)	-	-	-	(348,893)
Cumulative translation adjustment	-	-	-	-	-	-	-	(15,157)	-	(15,157)
September 30, 2026	1,550,000	$ 155	107,522	$ 11	$47,815,574	$(51,021,063)	(155)	$ (44,342)	$(76,323)	$ (3,326,143)

	Series A Preferred Stock $.0001 par value		Common Stock $.0001 par value		Additional Paid-in	Accumulated	Stock Subscription	Accumulated Other Comprehensive	Treasury	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Receivable	Income (Loss)	Stock	Equity (Deficit)
December 31, 2024	-	$ -	6,148	$ 1	$46,168,670	$(46,289,219)	$ -	$ 5,174	$(76,323)	$ (191,697)
Stock based compensation	-	-	-	-	(5,627)	-	-	-	-	(5,627)
Common stock issued for service	-	-	189	-	33,000	-	-	-	-	33,000
Common stock issued for directors stock compensation			2,700	-	540,000		-			540,000
Common stock issued for note payment	-	-	903	-	147,821	-	-	-	-	147,821
Common stock issued for cash			219	-	19,950	-	-	-	-	19,950
Net Loss	-	-	-	-	-	(1,199,930)	-	-	-	(1,199,930)
Cumulative translation adjustment	-	-	-	-	-	-	-	18,840	-	18,840
March 31, 2025	-	$ -	10,159	$ 1	$46,903,814	$(47,489,149)	$ -	$ 24,014	$(76,323)	$ (637,643)
Stock based compensation	-	-	-	-	3,147	-	-	-	-	3,147
Common stock issued for service	-	-	359	-	33,000	-	-	-	-	33,000
Net Loss	-	-	-	-	-	(651,818)	-	-	-	(651,818)
Cumulative translation adjustment	-	-	-	-	-	-	-	(112,088)	-	(112,088)
June 30, 2025	-	$ -	10,518	$ 1	$46,939,961	$(48,140,967)	-	$ (88,074)	$(76,323)	$ (1,365,402)
Stock based										

compensation	-	-	-	-	3,146	-	-	-	-	3,146
Common stock issued for service	-	-	2,305		116,230	-	-	-	-	116,230
Series A Super-Voting Convertible Preferred Stock	1,000,000	-	-	-	-	-	-	-	-	-
Net Loss	-	-	-	-	-	(480,965)		-	-	(480,965)
Cumulative translation adjustment	-	-	-	-	-	-	-	27,218	-	27,218
September 30, 2025	1,000,000	$ -	12,823	$ 1	$47,059,337	$(48,621,932)	-	$ (60,856)	$(76,323)	$ (1,699,773)

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

Blue Star Foods Corp.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$ (1,149,331)	$ (2,332,713)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Stock based compensation	9,036	666
Common stock issued for service	33,000	66,000
Depreciation of fixed assets	19,157	19,587
Amortization of debt discounts	12,500	113,068
Allowance for inventory obsolescence	-	(500,732)
Loss on settlement of debt	50,561	93,271
Lease expense	10,401	25,050
Credit loss expense	710	(14,426)
Accrued interest and fees	23,482	-
Gain on revaluation of fair value of derivative and warrant liabilities	-	(49,565)
Loss on revaluation of fair value of convertible notes	146,151	-
Changes in operating assets and liabilities:		
Accounts receivables	6,330	266,827
Inventories	227,348	831,227
Advances to related parties	-	(130,925)
Other current assets	(15,343)	506,970
Right of use liability	(10,401)	(25,050)
Other assets	4,869	42,888
Accounts payable and accruals	305,028	367,679
Accrued compensation	270,000	405,000
Customer refunds	-	(56,899)
Other current liabilities	(28,578)	-
Net Cash (Used in) Operating Activities	(85,080)	(372,077)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	-	(9,914)
Net Cash (Used in) Investing Activities	-	(9,914)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from common stock offering	-	19,950
Proceeds from short-term loan	-	774,075
Proceeds from convertible debt	75,000	-
Repayments of short-term loan	(23,880)	(591,032)
Net Cash Provided by Financing Activities	51,120	202,993
Effect of Exchange Rate Changes on Cash	22,372	(65,086)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,588)	(244,084)
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	14,436	326,854
CASH AND CASH EQUIVALENTS – END OF PERIOD	$ 2,848	$ 82,770
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 16,535	$ 141,532
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES		
Common stock issued for partial settlement of note payable	114,825	264,051
Common stock issued for directors stock compensation	-	540,000
Stock compensation reclassified to related party receivable	60,000	-

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

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Company Overview

Blue Star Foods Corp., a Delaware corporation ("we", "our", the "Company"), is an international sustainable marine protein company based in Miami, Florida that imports, packages and sells refrigerated pasteurized crab meat, and other premium seafood products. The Company's main operating business, John Keeler & Co., Inc. ("Keeler & Co.") was incorporated in the State of Florida in May 1995. The Company has three other subsidiaries, Coastal Pride, TOBC and AFVFL which maintain the Company's fresh crab meat, steelhead salmon and packaged seafood and other inventory businesses, respectively. The Company's current source of revenue is importing blue and red swimming crab meat primarily from South East Asia and distributing it in the United States and Canada under several brand names such as Blue Star, Oceanica, Pacifika, Crab & Go, First Choice, Good Stuff and Coastal Pride Fresh, and steelhead salmon and rainbow trout fingerlings produced under the brand name Little Cedar Farms for distribution in Canada.

On February 3, 2022, Coastal Pride entered into an asset purchase agreement with Gault Seafood, LLC, a South Carolina limited liability company ("Gault Seafood"), and Robert J. Gault II, President of Gault Seafood ("Gault") pursuant to which Coastal Pride acquired all of the Seller's right, title and interest in and to assets relating to Gault Seafood's soft-shell crab operations, including intellectual property, equipment, vehicles and other assets used in connection with the soft-shell crab business. Coastal Pride did not assume any liabilities in connection with the acquisition. The purchase price for the assets consisted of a cash payment in the amount of $359,250 and the issuance of 8,355 shares of common stock of the Company with a fair value of $359,250. Such shares were subject to a leak-out agreement pursuant to which Gault Seafood could not sell or otherwise transfer the shares until February 3, 2023.

On February 1, 2024, the Company entered into a ninety-day Master Services Agreement (the "Services Agreement") with Afritex Ventures, Inc. a Texas corporation ("Afritex"), pursuant to which the Company will be responsible for all of Afritex's operations and finance functions. The Company will provide Afritex with working capital in order to sustain operations and will purchase certain inventory listed in the Services Agreement. In consideration for its services, during the term of the Services Agreement, the Company will earn all of the revenue and profits by the purchase and sale of Afritex's inventory. Under the Services Agreement, Afritex may not sell or otherwise use as consideration any of its intellectual property without the Company's consent. The Company must maintain certain commercial liability insurance during the term of the Services Agreement. The Services Agreement also provides that the Company may not solicit Afritex employees for 24 months nor circumvent existing business relationships of Afritex for three years, after the term of the Services Agreement. The term of the Services Agreement will automatically extend for three thirty-day periods, if Afritex's outstanding debt is no greater than $325,000. The Company automatically extended the Service Agreement to August 31, 2024 after which it expired. The Company incurred losses of approximately $1.5 million from our Services Agreement with Afritex.

In connection with the Services Agreement, on February 12, 2024, the Company entered into an Intangibles Assets and Machinery Option to Purchase Agreement with Afritex (the "Option Agreement"). Pursuant to the Option Agreement, the Company has the option to purchase Afritex's intangible assets, machinery and equipment set forth in the Option Agreement for a purchase price of $554,714 for machinery and equipment and 100,000 shares of the Company's common stock were issued on February 12, 2024 to be held in escrow, for intangible assets. The Company did not exercise its option to purchase such intangible assets, machinery and equipment.

In connection with the Services Agreement, on February 1, 2024, AFVFL, a wholly-owned subsidiary of the Company, was incorporated in the State of Florida for the purpose of purchasing raw materials from Afritex for the preparation of packaged seafood and other inventory to be sold to various customers in the United States. Following the expiration of the Services Agreement with Afritex, AFVFL is no longer an active operating entity of the Company. AFVFL has not conducted any operating activities since the expiration of the Services Agreement and had no material assets or liabilities as of December 31, 2025.

During the year ended December 31, 2025, the Company dissolved Afritex Ventures Inc. ("AFVFL").

On October 8, 2026, the Company amended its Certificate of Incorporation to affect a one-for-one thousand six hundred reverse stock split ("Reverse Stock Split"), which became effective the same day. All share and per share amounts have been restated for all periods presented to reflect the Reverse Stock Split.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The following unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, such interim financial statements do not include all the information and footnotes required by accounting principles generally accepted in the United States ("GAAP") for complete annual financial statements. The information furnished reflects all adjustments, consisting only of normal recurring items which are, in the opinion of management, necessary in order to make the financial statements not misleading. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year. The consolidated balance sheet as of December 31, 2025 has been derived from the Company's annual financial statements that were audited by our independent registered public accounting firm but does not include all of the information and footnotes required for complete annual financial statements. These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto which are included in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on May 22, 2026 for a broader discussion of our business and the risks inherent in such business.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, Keeler & Co, Inc. a wholly owned subsidiary, Coastal Pride Seafood, LLC ("Coastal Pride"), a wholly owned subsidiary of Keeler & Co., Inc., Taste of BC Aquafarms, Inc. ("TOBC"), a wholly owned subsidiary, and Afritex Ventures Inc. ("AFVFL") a wholly owned subsidiary. AFVFL was dissolved during 2025 and, accordingly, its accounts are included in the consolidated financial statements only through the date of dissolution. All intercompany balances and transactions have been eliminated in consolidation.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers, as such, we record revenue when our customer obtains control of the promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company's source of revenue is from importing blue and red swimming crab meat primarily from South East Asia and distributing it in the United States and Canada under several brand names such as Blue Star, Oceanica, Pacifika, Crab & Go, First Choice, Good Stuff and Coastal Pride Fresh, and steelhead salmon and rainbow trout fingerlings produced under the brand name Little Cedar Farms for distribution in Canada. We sell primarily to food service distributors. The Company also sells its products to wholesalers, retail establishments and seafood distributors.

To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer by receipt of purchase orders and confirmations sent by the Company which includes a required line of credit approval process, (2) identify the performance obligations in the contract which includes shipment of goods to the customer FOB shipping point or destination, (3) determine the transaction price which initiates with the purchase order received from the customer and confirmation sent by the Company and will include discounts and allowances by customer if any, (4) allocate the transaction price to the performance obligations in the contract which is the shipment of the goods to the customer and transaction price determined in step 3 above and (5) recognize revenue when (or as) the entity satisfies a performance obligation which is when the Company transfers control of the goods to the customers by shipment or delivery of the products.

The Company elected an accounting policy to treat shipping and handling activities as fulfillment activities. Consideration payable to a customer is recorded as a reduction of the arrangement's transaction price, thereby reducing the amount of revenue recognized, unless the payment is for distinct goods or services received from the customer.

Accounts Receivable

Accounts receivable consist of unsecured obligations due from customers under normal trade terms, usually net 30 days. The Company grants credit to its customers based on the Company's evaluation of a particular customer's credit worthiness.

Allowances for credit losses are maintained for potential credit losses based on the age of the accounts receivable and the results of the Company's periodic credit evaluations of its customers' financial condition. Receivables are written off as uncollectible and deducted from the allowance for doubtful accounts after collection efforts have been deemed to be unsuccessful. Subsequent recoveries are netted against the allowance for credit losses. The Company generally does not charge interest on receivables.

Receivables are net of estimated allowances for doubtful accounts and sales return, allowances and discounts. They are stated at estimated net realizable value. As of September 30, 2026, the Company recorded allowances for sales returns and discounts of approximately $25,100. There was no allowance for bad debt recorded for the nine months ended September 30, 2026. As of December 31, 2025, the Company recorded sales return and discounts of approximately $24,100 and refund liability of $23,500. There was no allowance for bad debt recorded for the year ended December 31, 2025.

Inventories

Substantially all of the Company's inventory consists of packaged crab meat located at a public cold storage facility and merchandise in transit from suppliers. The Company also has eggs and fish in process inventory from TOBC and raw materials for packaged seafood and other inventory from AFVFL. The cost of inventory is primarily determined using the specific identification method for crab meat and raw materials for packaged seafood inventory. Fish in process inventory is measured based on the estimated biomass of fish on hand. The Company has established a standard procedure to estimate the biomass of fish on hand using counting and sampling techniques. Inventory is valued at the lower of cost or net realizable value, cost being determined using the first-in, first-out method for crab meat and raw materials for packaged seafood inventory and using various estimates and assumptions in regard to the calculation of the biomass, including expected yield, market value of the biomass, and estimated costs of completion.

Merchandise is purchased on a cost and freight shipping point basis, and it becomes the Company's asset and liability upon leaving the suppliers' warehouse.

The Company periodically reviews the value of items in inventory and records an allowance to reduce the carrying value of inventory to the lower of cost or net realizable value based on its assessment of market conditions, inventory turnover and current stock levels. For the nine months ended September 30, 2026, the Company reduced its inventory allowance by $332,345, due to sales of inventory previously reserved on resulting in an inventory allowance of $184,274. For the year ended December 31, 2025, the Company recorded an inventory allowance in the amount of $516,619 which was charged to cost of goods sold.

The Company's inventory as of September 30, 2026 and December 31, 2025 consists of:

	September 30, 2026	December 31, 2025
Inventory purchased for resale	$ 341,006	$ 873,475
Feeds and eggs processed	-	27,224
Raw materials for packaged seafood	20,899	20,899
Less: Inventory allowance	(184,274)	(516,619)
Inventory	$ 177,631	$ 404,979

Lease Accounting

The Company accounts for its leases under ASC 842, Leases, which requires all leases to be reported on the balance sheet as right-of-use assets and lease obligations. The Company elected the practical expedients permitted under the transition guidance that retained the lease classification and initial direct costs for any leases that existed prior to adoption of the standard.

The Company categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that would allow the Company to substantially utilize or pay for the entire asset over its estimated life. Assets acquired under finance leases are recorded in property and equipment, net. All other leases are categorized as operating leases. The Company did not have any finance leases as of September 30, 2026. The Company's leases generally have terms that range from three years for equipment and six to seven years for real property. The Company elected the accounting policy to include both the lease and non-lease components of its agreements as a single component and accounts for them as a lease.

Lease liabilities are recognized at the present value of the fixed lease payments using a discount rate based on similarly secured borrowings available to us. Lease assets are recognized based on the initial present value of the fixed lease payments, reduced by landlord incentives, plus any direct costs from executing the lease. Lease assets are tested for impairment in the same manner as long-lived assets used in operations. Leasehold improvements are capitalized at cost and amortized over the lesser of their expected useful life or the lease term.

When we have the option to extend the lease term, terminate the lease before the contractual expiration date, or purchase the leased asset, and it is reasonably certain that we will exercise the option, we consider these options in determining the classification and measurement of the lease. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

Long-lived Assets

Management reviews long-lived assets, including finite-lived intangible assets, for indicators of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Cash flows expected to be generated by the related assets are estimated over the asset's useful life on an undiscounted basis. If the evaluation indicates that the carrying value of the asset may not be recoverable, the potential impairment is measured using fair value. Fair value estimates are completed using a discounted cash flow analysis. Impairment losses for assets to be disposed of, if any, are based on the estimated proceeds to be received, less costs of disposal. No impairment was recognized for the nine months ended September 30, 2026 and for the year ended December 31, 2025.

Foreign Currency Exchange Rates Risk

The Company manages its exposure to fluctuations in foreign currency exchange rates through its normal operating activities. Its primary focus is to monitor exposure to, and manage, the economic foreign currency exchange risks faced by, its operations and realized when the Company exchanges one currency for another. The Company's operations primarily utilize the U.S. dollar and Canadian dollar as its functional currencies. Movements in foreign currency exchange rates affect its financial statements.

Fair Value Measurements and Financial Instruments

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and is measured using inputs in one of the following three categories:

Level 1 measurements are based on unadjusted quoted prices in active markets for identical assets or liabilities that we have the ability to access. Valuation of these items does not entail a significant amount of judgment.

Level 2 measurements are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active or market data other than quoted prices that are observable for the assets or liabilities.

Level 3 measurements are based on unobservable data that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The Company's financial instruments include cash, accounts receivable, accounts payable, accrued expenses, debt obligations, derivative liabilities and warrant liabilities. The Company believes the carrying values of cash, accounts receivable, accounts payable and accrued expenses approximate their fair values because they are short term in nature or payable on demand. The Company elected to account for certain convertible promissory notes at fair value, with the entire instrument measured at fair value on a recurring basis rather than separately accounting for embedded conversion features. The Company had convertible debt measured at fair value as of September 30, 2026 and December 31, 2025.

	Level 3 Fair Value	
	As of September 30, 2026	**As of December 31, 2025**
Liabilities		
Fair value of convertible debt	$ 2,014,971	$ 1,822,102
Total	$ 2,014,971	$ 1,822,102

The table below presents the change in the fair value of the convertible note payable for the nine months ended September 30, 2026 and year ended December 31, 2025:

	September 30, 2026	December 31, 2025
Fair value balance, beginning of year	$ 1,822,102	$ -
Issuance of convertible note payable	46,718	499,063
Change in fair value	146,151	1,323,039
Fair value balance, end of year	$ 2,014,971	$ 1,822,102

The fair market value of all convertible debt as of December 31, 2025 was determined using the Monte Carlo simulation model which used the following assumptions:

Stock price	$	0.0018
Expected dividend yield		0.00%
Expected stock price volatility		230.50 – 250.36%
Risk-free interest rate		3.48%
Expected term		0.48 – 1.04 years

The fair market value of all convertible debt as of September 30, 2026 was determined using the Monte Carlo simulation model which used the following assumptions:

Stock price	$	0.0007
Expected dividend yield		0.00%
Expected stock price volatility		247.96-251.77%
Risk-free interest rate		5.04%
Expected term		0.19 – 0.57 years

Segment Information

The Company's business consists of one operating segment, which is also its one reportable segment. The Company derives revenue by providing sales of primarily seafood products to customers. The Company's CODM is its chief executive officer who reviews financial information presented on a consolidated basis. The CODM reviews total assets in the consolidated balance sheets and net loss and its components in the consolidated statement of operations such as, cost of goods sold and other operating expenses, to assess financial performance and allocate resources.

Recent Accounting Pronouncements

ASU 2024-03 – Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This ASU requires public business entities to disclose more detailed information about certain costs and expenses in the notes to their financial statements, both in annual and interim filings. The objective is to provide investors with greater transparency into a company's expense structure, enabling a better understanding of performance, assessment of future cash flows, and comparison with other entities. Key provisions include the disaggregation, in a tabular format, of specific natural expense categories such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization, within each relevant expense caption on the income statement. The ASU also requires disclosure of the total amount of selling expenses and a qualitative description of expenses remaining in the "other" category. For public business entities, the amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact of adopting this ASU on its financial statements and disclosures.

ASU 2025-11 — Interim Reporting (Topic 270)

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270). This ASU enhances interim reporting requirements by improving the consistency and transparency of disclosures provided in interim financial statements. The amendments are designed to provide users with more decision-useful information about changes in financial position and results of operations during interim periods. For public business entities, the amendments are effective for interim reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact of adopting this ASU on its interim financial statement disclosures.

ASU 2025-12 — Accounting Standards Codification Improvements

In December 2025, the FASB issued ASU 2025-12, Accounting Standards Codification Improvements. This ASU includes various amendments to the Accounting Standards Codification intended to clarify, correct, or improve existing guidance. The amendments generally do not change current accounting practice and are not expected to have a material impact on the Company's financial statements.

Note 3. Going Concern

The accompanying consolidated financial statements and notes have been prepared assuming the Company will continue as a going concern. For the nine months ended September 30, 2026, the Company incurred a net loss of $1,149,331, had an accumulated deficit of $51,021,063 and a working capital deficit of $3,483,751. These factors raise substantial doubt as to the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the Company's ability to increase revenues, execute on its business plan to acquire complimentary companies, raise capital, and to continue to sustain adequate working capital to finance its operations. The failure to achieve the necessary levels of profitability and cash flows would be detrimental to the Company. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Note 4. Other Current Assets

Other current assets totaled $609,967 as of September 30, 2026 and $594,220 as of December 31, 2025. As of September 30, 2026 and December 31, 2025, approximately $562,000 and $21,000 of the balance was related to prepaid inventory to the Company's suppliers and professional fees, respectively. The remainder of the balance was related to prepaid insurance and other prepaid expenses.

Note 5. Fixed Assets, Net

Fixed assets comprised the following:

	September 30, 2026	December 31, 2025
Computer equipment	$ 56,746	$ 56,746
RAS system	7,340	7,433
Automobiles	94,298	94,298
Leasehold improvements	17,904	17,904
Total	176,288	176,381
Less: Accumulated depreciation	(89,388)	(70,231)
Fixed assets, net	$ 86,900	$ 106,150

For the nine months ended September 30, 2026 and 2025, depreciation expense totaled approximately $19,157 and $19,587, respectively.

Note 6. Loans, Convertible Debt, and Derivative Liabilities

Lind Global Fund II LP notes

2023 Note

On May 30, 2023, the Company entered into a securities purchase agreement (the "Purchase Agreement") with Lind pursuant to which the Company issued to Lind a secured, two-year, interest free convertible promissory note in the principal amount of $1,200,000 (the "2023 Lind Note") and a warrant (the "Lind Warrant") to purchase 8,701 shares of common stock of the Company commencing six months after issuance and exercisable for five years at an exercise price of $122.50 per share. The Lind Warrant includes cashless exercise and full ratchet anti-dilution provisions. In connection with the issuance of the Lind Note and the Lind Warrant, the Company paid Lind a $50,000 commitment fee. The proceeds from the sale of the Note and Warrant are for general working capital purposes.

In connection with the issuance of the 2022 Lind Note, the Company and Lind amended the 2022 Security Agreement to include the new 2023 Lind Note, pursuant to an amended and restated security agreement, dated May 30, 2023, between the Company and Lind.

The Company agreed to file a registration statement with the Securities and Exchange Commission covering the resale of the shares of common stock issuable pursuant to the 2023 Lind Note and Lind Warrant. Lind was also granted piggyback registration rights.

If the Company engages in capital raising transactions, Lind has the right to purchase up to 20% of the new securities for 24 months.

The 2023 Lind Note is convertible into common stock of the Company after the earlier of 90 days from issuance or the date the registration statement is effective, provided that no such conversion may be made that would result in beneficial ownership by Lind and its affiliates of more than 4.99% of the Company's outstanding shares of common stock. The conversion price of the 2023 Lind Note is equal to the lesser of: (i) $120.00; or (ii) 90% of the lowest single volume-weighted average price during the twenty-trading day period ending on the last trading day immediately preceding the applicable conversion date, subject to customary adjustments. The maximum number of shares of common stock to be issued in connection with the conversion of the 2023 Lind Note and the exercise of the Lind Warrant, in the aggregate, will not, exceed 19.9% of the outstanding shares of common stock of the Company immediately prior to the date of the 2023 Lind Note, in accordance with NASDAQ rules and guidance. Due to the variable conversion price of the 2023 Lind Note, the embedded conversion feature was accounted as a derivative liability. The fair value of the derivative liability at issuance amounting to $264,687, was recorded as a debt discount and amortized over the term of the note.

The 2023 Lind Note contains certain negative covenants, including restricting the Company from certain distributions, stock repurchases, borrowing, sale of assets, loans and exchange offers.

Upon the occurrence of an event of default as described in the 2023 Lind Note, the 2023 Lind Note will become immediately due and payable at a default interest rate of 120% of the then outstanding principal amount of the Lind Note.

The Warrant entitles the Investor to purchase up to 8,701 shares of common stock of the Company during the exercise period commencing on the date that is six months after the issue date ("Exercise Period Commencement") and ending on the date that is sixty months from the Exercise Period Commencement at an exercise price of $122.50 per share, subject to customary adjustments. The Warrant includes cashless exercise and full ratchet anti-dilution provisions.

On July 27, 2023, the Company, entered into a First Amendment to the Purchase Agreement (the "Purchase Agreement Amendment") with Lind, which provided for the issuance of further senior convertible promissory notes up to an aggregate principal amount of up to $1,800,000 and the issuance of additional warrants in such amounts as the Company and Lind shall mutually agree.

Pursuant to the Purchase Agreement Amendment, the Company issued to Lind a two-year, interest free convertible promissory note in the principal amount of $300,000 and a warrant to purchase 3,505 shares of common stock of the Company at an exercise price of $67.00 per share for $250,000. In connection with the issuance of the note and the warrant, the Company paid a $12,500 commitment fee. The proceeds from the sale of the note and warrant are for general working capital purposes.

Due to the variable conversion price of the convertible promissory note, pursuant to the Purchase Agreement Amendment, the embedded conversion feature was accounted for as a derivative liability. The fair value of the derivative liability at issuance amounting to $118,984, was recorded as a debt discount and amortized over the term of the note.

On August 3, 2024 the Company and Lind entered into a waiver and acknowledgement agreement.

The Company and Lind previously entered into that certain Securities Purchase Agreement, dated as of May 20, 2023, as amended on July 27, 2023 pursuant to which the Company issued Lind a senior convertible promissory note in the principal amount of $300,000. Each of the Company and Lind acknowledge that the amounts owing under the convertible promissory note as of the filing of the Waiver Agreement is equal to $355,500.

During the nine months ended September 30, 2026, there were no payments to the note principal. As of September 30, 2026 and December 31, 2025, the outstanding balance on the notes was $55,500. As of September 30, 2026 and December 31, 2025, there was no derivative liability and warrant liability.

Debt with Third-Party Investors

On January 28, 2025, the Company entered into a subordinated business loan and security agreement with a third-party lender and collateral agent providing for a term loan in the principal amount of $420,000, with total repayment of principal and interest of $596,400 and a maturity date of August 15, 2025. Commencing February 7, 2025, the Company is required to make weekly payments of $21,300 until the maturity date. The loan may be prepaid subject to a

prepayment fee. In connection with the loan, the Company paid an administrative agent fee of $20,000, which was recorded as a debt discount and is being amortized over the term of the loan. For the nine months ended September 30, 2026, the Company made no principal and interest payments. The outstanding balance on the loan was $266,000 as of September 30, 2026.

On January 28, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $149,650 with an original issue discount of $19,650 (the "January 2025 Convertible Note"). The January 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $19,454 paid upon issuance and a maturity date of October 30, 2025. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the January 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the January 2025 Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company may not, without written consent, sell, lease, or otherwise dispose of any significant portion of its assets except in the ordinary course of business. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the January 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made principal payments on the loan totaling $6,860 and no interest payments. The outstanding balance of on the loan was $53,312 as of September 30, 2026, compared to $60,172 as of December 31, 2025.

On August 25, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $169,500 with an original issue discount of $25,425 (the "August 2025 Convertible Note"). The August Convertible Note has an interest rate of 13% with a one-time interest payment of $22,035 paid upon issuance and a maturity date of August 25, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the August Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the August Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the August Convertible Note. For the nine months ended September 30, 2026, the Company made principal payments of $0 and interest payments of $8,628. The outstanding balance of on the note was $169,500 as of September 30, 2026 and December 31, 2025. Interest expense related to the loan $14,137 for the nine months ended September 30, 2026.

On December 5, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $73,025 with an original issue discount of $9,525 (the "December 2025 Convertible Note"). The December 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $9,493 paid upon issuance and a maturity date of December 5, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the December 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the December 2025 Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the December 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance of on the note was $73,025 as of September 30, 2026 and December 31, 2025. Interest expense related to the loan $5,509 for the nine months ended September 30, 2026.

On September 16, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $47,059 with an original issue discount of $7,059 (the "September 16, 2025 Convertible Note"). The September 16, 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $6,118 paid upon issuance and a maturity date of June 16, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the September 16, 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the September 16, 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the September 16, 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $47,059 as of September 30, 2026 and December 31, 2025. Interest expense related to the loan $4,078 for the nine months ended September 30, 2026.

On November 13, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $40,000 with an original issue discount of $6,000 (the "November 2025 Convertible Note"). The November 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $5,200 paid upon issuance and a maturity date of August 13, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the November 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the November 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the November 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $40,000 as of September 30, 2026 and December 31, 2025. Interest expense related to the loan $3,466 for the nine months ended September 30, 2026.

On September 18, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $47,059 with an original issue discount of $7,059 (the "September 18, 2025 Convertible Note"). The September 18, 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $6,118 paid upon issuance and a maturity date of June 16, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the September 18, 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the September 18, 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the September 18, 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made principal payment of $4,680 and no interest payments on the note. The outstanding balance on the note was $42,379 as of September 30, 2026 and December 31, 2025. Interest expense related to the loan $4,078 for the nine months ended September 30, 2026.

On March 10, 2026, the Company issued a convertible promissory note to a third-party investor in the principal amount of $57,500 (the "March 2026 Convertible Note"). The note was issued with an original issue discount of $7,500, resulting in net proceeds to the Company of $50,000. The note includes a one-time interest charge of $7,475 and has a maturity date of December 10, 2026. Upon the occurrence of an event of default, the note accrues interest at a rate of up to 24% per annum on the outstanding principal balance. The note may be prepaid in accordance with its terms and may also be convertible into shares of the Company's common stock, subject to the provisions of the note agreement. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $57,500. Interest expense related to the loan $2,491 for the nine months ended September 30, 2026.

On July 17, 2026, the Company issued a convertible promissory note to a third-party investor in the principal amount of $30,000 (the "July 2026 Convertible Note"). The note was issued with an original issue discount of $5,000, resulting in net proceeds to the Company of $25,000. The note includes a one-time interest charge of $4,500 and has a maturity date of April 17, 2027. Upon the occurrence of an event of default, the note accrues interest at a rate of up to 24% per annum on the outstanding principal balance. The note may be prepaid in accordance with its terms and may also be convertible into shares of the Company's common stock, subject to the provisions of the note agreement. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $30,000. There was no interest expense related to the loan for the nine months ended September 30, 2026.

August 2024 Private Placement Offering

In August, 2024, the Company entered into securities purchase agreements (each a "Securities Purchase Agreement") with each of Quick Capital, LLC, a Wyoming limited liability company ("Quick Capital") and Jefferson Street Capital, LLC, a New Jersey limited liability company ("Jefferson") whereby we issued promissory notes in the aggregate principal amount of $550,000 (the "August Private Placement Offering").

The Company agreed to issue to Quick Capital and Jefferson up to 39,300 shares of our Common Stock as a "Commitment Fee".

As part of the August Private Placement Offering, the Company issued two promissory notes each in the principal amount of $275,000 with an original issue discount of $25,000 (the "Private Placement Notes"). The Private Placement Notes have a one-time interest payment of $27,500. Thereafter, any principal amount of interest which is not paid upon maturity will accrue at a rate of the lesser of (i) sixteen percent (16%) per annum, or (ii) the maximum amount permitted by law from the due date thereof until the same is paid. The Private Placement Notes have a maturity date of 10 months after issuance and the proceeds from the notes are for general corporate purposes. The Company agreed to issue to each of Quick Capital and Jefferson 19,650 shares of Common Stock as additional consideration for entering into Private Placement Notes.

The investors have the right, at any time on or following the earlier of (i) the date that any of the shares are registered for resale under a registration statement of the Company or (ii) the date that is six (6) months after the issue date, to convert all or any portion of the then outstanding and unpaid principal and interest into fully paid and non-assessable shares of our Common Stock. The conversion price shall be $1.50, subject to adjustments. We have agreed to reserve a sufficient number of Common Stock (initially, 2,000,000 shares) for issuance upon conversion of the Private Placement Notes in accordance with their terms.

If an event of default occurs under the Private Placement Notes, the investors have the right to convert all amounts outstanding under the notes at any time thereafter into shares of Common Stock at the lesser of (i) the then applicable conversion price under the notes or (ii) the Market Price. "Market Price" shall mean 85% of the lowest VWAP on any trading day during the ten (10) trading days prior to the respective conversion date. "VWAP" means, for any security as of any date, the dollar volume-weighted average price for such security on the principal market during the period beginning at 9:30 a.m., Eastern Standard Time, and ending at 4:00 p.m., Eastern Standard Time, as reported by Quote stream or other similar quotation service provider designated by the investors.

The Company may prepay the Private Placement Notes at any time with fifteen (15) trading days prior written notice (the "Prepayment Notice Period"). During the Prepayment Notice Period, the investor shall have the right to convert all or any portion of the Private Placement Notes pursuant to the terms of the notes, including the amount of the Private Placement Notes to be prepaid. If the Company exercises its right to prepay the notes, the Company shall make payment to the investor of an amount in cash equal to the sum of: (i) 100% multiplied by the principal amount then outstanding plus (ii) accrued and unpaid interest on the principal amount to the Prepayment Notice Date, and (iii) $750 to reimburse the investor for administrative fees.

If the Company delivers a prepayment notice and fails to pay the applicable prepayment amount, the Company shall forever forfeit its right to prepay any part of the Private Placement Notes.

The Private Placement Notes have mandatory monthly payments of $43,200. The initial payments are due on November 9, 2024 and November 12, 2024, respectively.

The Company's failure to comply with the material terms of the Private Placement Notes will be considered an event of default and the principal sum of the Private Placement Notes will become immediately due and payable at an amount equal to the principal amount then outstanding plus accrued interest (including any default interest) through the date of full repayment multiplied by 135%, as well as all costs, all without demand, presentment or notice, unless expressly waived by the investor.

The investors may assign their rights to any "accredited investor" (as defined in Rule 501(a) of the 1933 Act) in a private transaction or to any of its affiliates without the consent of the Company.

While the Private Placement Notes remain outstanding, we shall not, without the investor's written consent (i) (a) pay, declare or set apart for such payment, any dividend or other distribution on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution with respect to its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Company's disinterested directors, (ii) redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Company or any warrants, rights or options to purchase or acquire any such shares, or repay any indebtedness of the investor (iii) advance any loans made in the ordinary course of business in excess of $100,000, (iv) sell, lease or otherwise dispose of any significant portion of our assets outside the ordinary course of business, and (v) enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) or Section 3(a)(10) of the Securities Act.

In conjunction with the August Private Placement Offering, the Company entered into a registration rights agreement with each of Quick Capital and Jefferson. The Company agreed to file a registration statement with the Securities and Exchange Commission to register the re-sale of the maximum number of shares of Common Stock covered in the August Private Placement Offering within sixty (60) calendar days from the date of execution.

During the nine months ended September 30, 2026, the Company made aggregate principal payments on the Private Placement Notes of $29,242 of which was paid through the issuance of an aggregate of 43,152,282 shares of common stock. The outstanding balance on the loan was $33,006 as of September 30, 2026, compared to $62,249 as of December 31, 2025. Interest expense related to the loan $7,544 for the nine months ended September 30, 2026.

Unaffiliated Note

On October 29, 2025, the Company entered into a promissory note agreement with an unaffiliated third-party lender for aggregate principal of $50,000. The note bears interest at a rate of 32% per annum and matures on July 29, 2026. The proceeds are for general working capital. Upon the occurrence of an event of default as described in the note, the note will become immediately due and payable at a default interest rate of 25% of the then outstanding principal amount of the note. For the nine months ended September 30, 2026, the Company made principal payments of $16,019 and interest payments of $5,473. The outstanding balance on the note was $25,899 as of September 30, 2026, compared to $41,919 as of December 31, 2025. Interest expense related to the loan $5,473 for the nine months ended September 30, 2026.

Vehicle Loan

On December 7, 2024, the Company entered into a financing loan in connection with the purchase of a company vehicle. The loan has a principal amount of $69,299, bears interest at an annual rate of 9.34%, and is repayable in monthly installments of $1,450, including principal and interest, over a term of 60 months. For the nine months ended September 30, 2026, the Company made principal payments of $7,861 on the loan and interest payments of $3,739. The outstanding balance on the loan was $48,324 as of September 30, 2026, compared to $56,185 as of December 31, 2025. Interest expense related to the loan $3,739 for the nine months ended September 30, 2026.

Note 7. Stockholders' Equity

During the nine months ended September 30, 2025, the Company issued an aggregate of 548 shares of common stock to the designee of ClearThink for consulting services provided to the Company.

On January 14, 2025, the Company issued 300 shares of common stock to each of Nubar Herian and John Keeler, 600 shares of common stock to each of Timothy McLellan and Trond Ringstad, and 900 shares of common stock to Jeffrey Guzy, for serving as directors of the Company.

On March 11, 2025, the Company issued 219 shares of common stock in consideration of proceeds of $19,950 pursuant to a securities purchase agreement, dated May 16, 2023 with ClearThink.

During the nine months ended September 30, 2025, the Company issued 1,025 shares of common stock to Diagonal as partial conversion of $42,250 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2025, the Company issued an aggregate of 1,641 shares of common stock to Quick Capital as partial conversion of $80,698 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2025, the Company issued an aggregate of 542 shares of common stock to Jefferson as partial conversion of $46,333 principal and accrued interest pursuant to the convertible promissory note.

During the nine months ended September 30, 2025, the Company issued 1,000,000 shares of Series A Super Voting Convertible Preferred Stock ("Series A Preferred") with par value $0.0001 per share. The Series A Preferred was issued for no cash or other consideration and solely to establish a voting control structure. Each share of Series A Preferred entitles the holder to 100 votes per share on all matters submitted to a vote of the stockholders.

On January 16, 2026, the Company issued an aggregate of 2,554 shares of common stock, to the designee of ClearThink Capital for consulting services provided to the Company.

On January 27, 2026, the Company issued 550,000 shares of Series A Preferred with par value $0.0001 per share. The Series A Preferred was issued for no cash or other consideration and solely to establish a voting control structure. Each share of Series A Preferred entitles the holder to 100 votes per share on all matters submitted to a vote of the stockholders.

On January 28, 2026, the Company amended its Certificate of Incorporation to increase its authorized shares of common stock from 500,000,000 shares to 5,000,000,000 shares. The amendment was approved by the Company's Board of Directors and stockholders in accordance with applicable law and became effective upon filing with the Secretary of State of the State of Delaware.

During the nine months ended September 30, 2026, the Company issued an aggregate of 26,970 shares of common stock to a third-party investor as partial conversion of $29,242 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued 6,194 shares of common stock to a third-party investor as partial conversion of $6,860 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued an aggregate of 9,437 shares of common stock to a third-party investor as conversion of $8,627 interest pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued an aggregate of 5,000 shares of common stock to a third-party investor as conversion of $4,680 principal pursuant to the convertible promissory note.

Note 8. Options

The following table represents option activity for the nine months ended September 30, 2026:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Outstanding – December 31, 2025	3,385	$ 2,000.00	2.81	
Exercisable – December 31, 2025	3,352	$ 2,000.00	2.82	$ -
Granted	-	$ -		
Forfeited	(30)	$ -		
Vested	3,327	$ -		
Outstanding – September 30, 2026	3,355	$ 2,000.00	2.06	
Exercisable – September 30, 2026	3,327	$ 2,000.00	2.07	$ -

Note 9. Warrants

The following table represents warrant activity for the nine months ended September 30, 2026:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Outstanding – December 31, 2025	13,423,969	$ 0.11	4.76	
Exercisable – December 31, 2025	13,423,969	$ 0.11	4.76	$ -
Granted	57,500,000	$ -		
Exercised	-	$ -		
Forfeited or Expired	-	$ -		
Outstanding – September 30, 2026	70,923,969	$ 0.02	4.36	
Exercisable – September 30, 2026	70,923,969	$ 0.02	4.36	$ -

On May 30, 2023, in connection with the issuance of the $1,200,000 promissory note to Lind pursuant to a securities purchase agreement, the Company issued Lind a five-year warrant exercisable six months from the date of issuance to purchase 8,701 shares of common stock at an exercise price of $122.50 per share. The warrant provides for cashless exercise and full ratchet anti-dilution provisions. The fair value of the warrants of $381,538 was recorded as a discount to the 2023 Lind Note and classified as liabilities.

On July 27, 2023, in connection with the issuance of the $300,000 promissory note to Lind pursuant to the Purchase Agreement Amendment, the Company issued Lind a five-year warrant exercisable six months from the date of issuance to purchase 3,505 shares of common stock at an exercise price of $67.00 per share. The warrant provides for cashless exercise and full ratchet anti-dilution provisions. The fair value of the warrants of $72,208 was recorded as a discount to the 2023 Purchase Agreement Amendment and classified as a liability.

On September 16, 2025, in connection with the issuance of the $47,059 promissory note to a third-party investor, the Company issued a five-year warrant exercisable from the date of issuance to purchase 4,705,882, shares of common stock at an exercise price of $0.01 per share. The warrant was determined to be equity-classified under applicable accounting guidance. No value was allocated to the warrant at issuance, as its fair value was determined to be immaterial.

On September 18, 2025, in connection with the issuance of the $47,059 promissory note to a third-party investor, the Company issued a five-year warrant exercisable from the date of issuance to purchase 4,705,882, shares of common stock at an exercise price of $0.01 per share. The warrant was determined to be equity-classified under applicable accounting guidance. No value was allocated to the warrant at issuance, as its fair value was determined to be immaterial.

On November 13, 2025, in connection with the issuance of the $40,000 promissory note to a third-party investor, the Company issued a five-year warrant exercisable from the date of issuance to purchase 4,000,000, shares of common stock at an exercise price of $0.01 per share. The warrant was determined to be equity-classified under applicable accounting guidance. No value was allocated to the warrant at issuance, as its fair value was determined to be immaterial.

On March 10, 2026, in connection with the issuance of the $57,500 promissory note to a third-party investor, the Company issued a five-year warrant exercisable from the date of issuance to purchase 57,500,000, shares of common stock at an exercise price of $0.001 per share. The warrant was determined to be equity-classified under applicable accounting guidance. No value was allocated to the warrant at issuance, as its fair value was determined to be immaterial.

Note 10. Commitment and Contingencies

Office lease

On January 1, 2022, the Company entered into a verbal month-to-month lease agreement for its executive offices with an unrelated third party and paid $28,300 on the lease for the nine months ended September 30, 2025. For the nine months ended September 30, 2026, the Company paid $13,000 under this lease.

The offices and facility of TOBC are located in Nanaimo, British Columbia, Canada and are on land which was leased to TOBC for approximately $2,500 per month plus taxes, from Steve and Janet Atkinson, a related party and the former TOBC owners. On April 1, 2022, TOBC entered into a new five-year lease with Steve and Janet Atkinson for CAD$2,590 per month plus taxes, and an additional five-year lease with Kathryn Atkinson for CAD$2,370 per month plus taxes. Both leases are renewable for two additional five-year terms.

On March 4, 2026, the Company, through its subsidiary TOBC, filed an application with the Supreme Court of British Columbia seeking to set aside a February 23, 2026 order that terminated its lease and granted possession of the leased property to the landlords. The Company is seeking relief, including reinstatement of the lease, and contends that certain relevant facts were not presented to the Court at the original hearing. A hearing on the application was held on March 9, 2026, and the Court has reserved judgment.

On June 2, 2026, the Supreme Court of British Columbia dismissed the application filed by the Company's subsidiary, TOBC, seeking reconsideration of the Court's February 23, 2026 order terminating TOBC's commercial lease and granting possession of the leased aquaculture facility to the landlords.

On June 24, 2026, TOBC filed a Notice of Appeal with the Court of Appeal for British Columbia seeking to overturn the June 2, 2026 judgment. Among other grounds, the appeal contends that the Supreme Court failed to address provisions of the parties' lease agreement, including Paragraph 39(f), which the Company believes prohibited either party from commencing legal proceedings while the parties were engaged in the contractual mediation process. The Company contends that, at the time the landlords commenced their petition seeking termination of the lease, the parties were already participating in mediation pursuant to the lease agreement and that this contractual provision was neither presented to nor considered by the Court in rendering its decision. The Company further notes that, in its June 2, 2026 Reasons for Judgment, the Court acknowledged that TOBC's January 2026 rent payment was made within the lease's contractual grace period.

The appeal seeks, among other relief, an order setting aside the June 2, 2026 judgment and remitting the matter to the Supreme Court of British Columbia for a new hearing on the reconsideration application.

The appeal is in its preliminary stages, and no hearing date has been scheduled. The Company intends to pursue all available legal remedies. Because appellate proceedings are inherently uncertain, there can be no assurance that the appeal will be successful. Accordingly, the Company cannot predict the ultimate outcome of the appeal or reasonably estimate any potential loss, if any, related to this litigation.

Rental and equipment lease expenses were approximately $3,900 for related party and $23,500 for non-related party for the nine months ended September 30, 2026. For the nine months ended September 30, 2025, rental lease expenses was approximately $34,200 for related party and $40,700 for non-related party.

Note 11. Subsequent Events

Note issuances

On November 9, 2026, the Company issued a convertible promissory note to a third-party investor in the principal amount of $37,500 (the "November 2026 Convertible Note"). The note was issued with an original issue discount of $7,500, resulting in net proceeds to the Company of $30,000. The note includes a one-time interest charge of $5,625 and has a maturity date of August 9, 2027. Upon the occurrence of an event of default, the note accrues interest at a rate of up to 24% per annum on the outstanding principal balance. The note may be prepaid in accordance with its terms and may also be convertible into shares of the Company's common stock, subject to the provisions of the note agreement.

Reverse Stock Split

On October 8, 2026, the Company effected a reverse stock split of its issued and outstanding common stock at a ratio of one-for-one thousand six hundred (the "Reverse Stock Split"), pursuant to a Certificate of Amendment to its Certificate of Incorporation filed with the Secretary of State of the State of Delaware.

All share and per-share amounts presented in the accompanying consolidated financial statements and related notes, including weighted-average shares outstanding and earnings (loss) per share, have been retrospectively adjusted to reflect the Reverse Stock Split for all periods presented, unless otherwise indicated.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

The following management's discussion and analysis should be read in conjunction with the financial statements and the related notes thereto contained in this Quarterly Report. The management's discussion and analysis contain forward-looking statements, such as statements of our plans, objectives, expectations and intentions. Any statements that are not statements of historical fact are forward-looking statements. When used, the words "believe," "plan," "intend," "anticipate," "target," "estimate," "expect" and the like, and/or future tense or conditional constructions ("will," "may," "could," "should," etc.), or similar expressions, identify certain of these forward-looking statements. These forward-looking statements are subject to risks and uncertainties, including those under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on May 22, 2026, as updated in subsequent filings we have made with the SEC that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. Our actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of several factors. We do not undertake any obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this Quarterly Report.

Basis of Presentation

The following discussion highlights our results of operations and the principal factors that have affected our financial condition as well as our liquidity and capital resources for the periods described and provides information that management believes is relevant for an assessment and understanding of the statements of financial condition and results of operations presented herein. The following discussion and analysis are based on our unaudited financial statements contained in this Quarterly Report, which we have prepared in accordance with United States generally accepted accounting principles. You should read the discussion and analysis together with such financial statements and the related notes thereto.

Overview

We are an international seafood company that imports, packages and sells refrigerated pasteurized crab meat, and other premium seafood products. Our current source of revenue is from importing blue and red swimming crab meat primarily from South East Asia and distributing it in the United States and Canada under several brand names such as Blue Star, Oceanica, Pacifika, Crab & Go, First Choice, Good Stuff and Coastal Pride Fresh, as well as soft shell crab in the United States and steelhead salmon and rainbow trout fingerlings produced under the brand name Little Cedar Farms for distribution in Canada. The crab meat which we import is processed in six out of the ten plants available throughout Southeast Asia. Our suppliers are primarily via co-packing relationships, including two affiliated suppliers. We sell primarily to food service distributors. We also sell our products to wholesalers, retail establishments and seafood distributors.

Recent Events

British Columbia Civil Claim

On March 4, 2026, the Company, through TOBC, filed a Notice of Application in the Supreme Court of British Columbia (the "Court") in connection with a dispute with their landlords Steven Atkinson and Janet Atkinson (the "Landlords") of the property located at 2930 Jameson Road, Nanaimo, B.C. V9R 6W8. The application seeks, among other things, reconsideration and setting aside of a February 23, 2026 order that terminated the Company's lease and granted the landlords immediate possession of the property. The Company also seeks relief from forfeiture and reinstatement of the lease, or alternatively other interim and related relief. The Company's application asserts that the order was made following a hearing at which the Company did not appear and that certain relevant facts were not before the Court, including that basic rent payments had been made within the time permitted under the lease and that the parties were engaged in mediation regarding a dispute over alleged additional rent & operational contradicting views under the lease. A hearing on the application was held on March 9, 2026. The presiding judge reserved judgment, and a decision has not yet been issued. The Company cannot predict the outcome of the proceeding or whether the requested relief will be granted.

Indonesian Supplier Civil Claim

The Company, together with its subsidiaries, has initiated legal proceedings against an Indonesian seafood supplier, in the U.S. District Court for the Southern District of Florida. The complaint alleges breach of contract, violation of the Florida Deceptive and Unfair Trade Practices Act, and unjust enrichment arising from shipments delivered in 2022. According to the complaint, certain product lots supplied were determined to be rancid and unmarketable following customer complaints and third-party laboratory testing. The Company asserts that it incurred approximately $0.250 million in direct product losses, in addition to other related costs. The Company is seeking monetary damages, including consequential damages, as well as other relief. The outcome of this matter is currently uncertain, and no assurance can be given regarding the timing or ultimate resolution.

Results of Operations

The following discussion and analysis of financial condition and results of operations of the Company is based upon, and should be read in conjunction with, the financial statements and accompanying notes elsewhere in this Quarterly Report.

Three months ended September 30, 2026 and 2025

Net Revenue. Revenue for the three months ended September 30, 2026 decreased 37.2% to $290,385 as compared to $462,260 for the three months ended September 30, 2025 as a result of a decrease in poundage sold during the three months ended September 30, 2026.

Cost of Goods Sold. Cost of goods sold for the three months ended September 30, 2026 increased to $117,264 as compared to $34,444 for the three months ended September 30, 2025. This increase is attributable to the increase in poundage sold in the cost of goods during the three months ended September 30, 2026 compared to the three months ended September 30,2025.

Gross Profit. Gross profit for the three months ended September 30, 2026 decreased to $173,121 as compared to $427,816 in the three months September 30, 2025. This decrease is due to the decrease in in revenue, resulting in an improvement in gross margin for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Commissions. Commissions expense decreased to $0 for the three months ended September 30, 2026 as compared to $425 for the three months ended September 30, 2025. This decrease is mainly attributable to no commissionable sales as of September 30, 2026.

Salaries and Wages Expense. Salaries and wages expense decreased to $98,737 for the three months ended September 30, 2026 as compared to $239,299 for the three months ended September 30, 2025. This decrease is mainly attributable to a reduction in the number of employees as of September 30, 2026.

Director Compensation. Director compensation was $138,012 for the three months end September 30, 2026 and 2025, resulting in no change compared to the prior-year period.

Depreciation and Amortization. Depreciation and amortization expense was $6,386 for the three months ended September 30, 2026 and as compared to $6,269 for the three months ended September 30, 2025. This increase is mainly attributable to the foreign exchange on the depreciation for TOBC.

Other Operating Expense. Other operating expense decreased to $220,309 for the three months ended September 30, 2026 from $456,599 for the three months ended September 30, 2025. This decrease is mainly attributable to legal and professional expenses related to our business operations.

Other Income. Other income decreased for the three months ended September 30, 2026 to $21,938 from $68,531 for the three months ended September 30, 2025. This decrease is mainly attributable to the recognition of funds received under the Employee Retention Tax Credit (“ERTC”) program during the three months ended September 30, 2025.

Change in Fair Value of Derivatives and Warrants Liabilities. Change in fair value of derivatives and warrants liabilities decreased to $0 for the three months ended September 30, 2026 from $19,628 for the three months ended September 30, 2025. This decrease is attributable to the fair value measurement for the derivative liability for the three months ended September 30, 2026.

Change in Fair Value of Convertible Notes. Change in fair value of convertible notes increased to a loss of $67,073 for the three months ended September 30, 2026 from $0 for the three months ended September 30, 2025. This increase is attributable to fair value measurement for convertible notes as of September 30, 2026.

Loss on Settlement of Debt. Loss on settlement of debt increased to $3,320 for the three months ended September 30, 2026 from $52,205 for the three months ended September 30, 2025. This decrease is attributable to the conversion of common stock as payment of principal pursuant to the convertible promissory note.

Interest Expense. Interest expense decreased to $10,115 for the three months ended September 30, 2026 from $104,131 for the three months ended September 30, 2025. The decrease is attributable to the decrease in amortization of debt discount and interest paid and accrued on the notes.

Net Loss. Net loss was $348,893 for the three months ended September 30, 2026 as compared to $480,965 for the three months ended September 30, 2025. The decrease in net loss is primarily attributable to the change in fair value of derivative and warrant liabilities and the interest expense.

Nine months ended September 30, 2026 and 2025

Net Revenue. Revenue for the nine months ended September 30, 2026 decreased 58.7% to $1,073,061 as compared to $2,595,358 for the nine months ended September 30, 2025 as a result of a decrease in poundage sold during the nine months ended September 30, 2026.

Cost of Goods Sold. Cost of goods sold for the nine months ended September 30, 2026 decreased to $594,128 as compared to $1,823,208 for the nine months ended September 30, 2025. This decrease is attributable to the decrease in poundage sold in the cost of goods during the nine months ended September 30, 2026 compared to the nine months ended September 30,2025.

Gross Profit. Gross profit for the nine months ended September 30, 2026 decreased to $478,933 as compared to $772,150 in the nine months September 30, 2025. This decrease is due to the adjustment to inventory allowance recorded during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Commissions. Commissions expense decreased to $0 for the nine months ended September 30, 2026 as compared to $885 for the nine months ended September 30, 2025. This decrease is mainly attributable to no commissionable sales as of September 30, 2026.

Salaries and Wages Expense. Salaries and wages expense decreased to $466,562 for the nine months ended September 30, 2026 as compared to $842,809 for the nine months ended September 30, 2025. This decrease is mainly attributable to a reduction in the number of employees as of September 30, 2026.

Director Compensation. Director compensation was $414,036 for the nine months ended September 30, 2026 and 2025, resulting in no change compared to the prior-year period.

Depreciation and Amortization. Depreciation and amortization expense was $19,157 for the nine months ended September 30, 2026 and as compared to $19,587 for the nine months ended September 30, 2025. This increase is mainly attributable to the foreign exchange on the depreciation for TOBC.

Other Operating Expense. Other operating expense decreased to $544,163 for the nine months ended September 30, 2026 from $1,373,017 for the nine months ended September 30, 2025. This decrease is mainly attributable to legal and professional expenses related to our business operations.

Other Income. Other income increased for the nine months ended September 30, 2026 to $75,880 from $73,280 for the nine months ended September 30, 2025. This decrease is mainly attributable to the recognition of funds received under the Employee Retention Tax Credit (“ERTC”) program during the nine months ended September 30, 2026.

Change in Fair Value of Derivatives and Warrants Liabilities. Change in fair value of derivatives and warrants liabilities decreased to $0 for the nine months ended September 30, 2026 from $49,564 for the nine months ended September 30, 2025. This decrease is attributable to the fair value measurement for the derivative liability for the nine months ended September 30, 2026.

Change in Fair Value of Convertible Notes. Change in fair value of convertible notes increased to a loss of $146,151 for the nine months ended September 30, 2026 from $0 for the nine months ended September 30, 2025. This increase is attributable to fair value measurement for convertible notes as of September 30, 2026.

Loss on Settlement of Debt. Loss on settlement of debt decreased to $50,561 for the nine months ended September 30, 2026 from $93,271 for the nine months ended September 30, 2025. This decrease is attributable to the conversion of common stock as payment of principal pursuant to the convertible promissory note.

Interest Expense. Interest expense decreased to $63,514 for the nine months ended September 30, 2026 from $484,102 for the nine months ended September 30, 2025. The decrease is attributable to the decrease in amortization of debt discount and interest paid and accrued on the notes.

Net Loss. Net loss was $1,149,331 for the nine months ended September 30, 2026 as compared to $2,332,713 for the nine months ended September 30, 2025. The decrease in net loss is primarily attributable to the change in fair value of derivative and warrant liabilities and the interest expense.

Liquidity and Capital Resources

The Company had cash of $2,848 as of September 30, 2026. At September 30, 2026, the Company had a working capital deficit of $3,483,751 and the Company's primary sources of liquidity consisted of inventory of $310,870 and accounts receivable of $48,050.

The Company has historically financed its operations through the cash flow generated from operations, capital investment, notes payable and a working capital line of credit.

Cash (Used in) Operating Activities. Cash used in operating activities during the nine months ended September 30, 2026 was $85,080 as compared to cash used in operating activities of $372,077 for the nine months ended September 30, 2025. The decrease is primarily attributable to decrease in inventory of $603,879 and decrease in other current assets of $522,313, offset by the decrease in receivable of $260,497 and decrease in payables and accruals of $62,651 for the nine months ended September 30, 2026 compared with the nine months ended September 30, 2025.

Cash (Used in) Investing Activities. Cash used in investing activities for the nine months ended September 30, 2026 was $0 as compared to cash used in investing activities of $9,914 for the nine months ended September 30, 2025. The decrease was mainly attributable to no purchases of fixed assets for the nine months ended September 30, 2026 compared to the purchases of fixed assets for the nine months ended September 30, 2025.

Cash Provided by Financing Activities. Cash provided by financing activities for the nine months ended September 30, 2026 was $51,120 as compared to cash provided by financing activities of $202,993 for the nine months ended September 30, 2025. The decrease is mainly attributable due to the decreased repayments of short-term loans and less proceeds from short-term loan during the nine months ended September 30, 2026.

Lind Global Fund II LP investment

On May 30, 2023, the Company entered into a securities purchase agreement with Lind pursuant to which the Company issued to Lind a secured, two-year, interest free convertible promissory note in the principal amount of $1,200,000 (the "Lind Note") and a warrant (the "Lind Warrant") to purchase 8,701 shares of common stock of the Company commencing six months after issuance and exercisable for five years at an exercise price of $122.50 per share, for the aggregate funding amount of $1,000,000. The Lind Warrant includes cashless exercise and full ratchet anti-dilution provisions. In connection with the issuance of the Lind Note and the Lind Warrant, the Company paid Lind a $50,000 commitment fee. The proceeds from the sale of the Note and Warrant are for general working capital purposes.

On July 27, 2023, the Company, entered into a First Amendment to the securities purchase agreement (the "Purchase Agreement Amendment") with Lind, pursuant to which the Company amended the securities purchase agreement, entered into with Lind as of May 30, 2023 in order to permit the issuance of further senior convertible promissory notes in the aggregate principal amount of up to $1,800,000 and warrants in such aggregate amount as the Company and Lind shall mutually agree.

Pursuant to the Purchase Agreement Amendment, the Company issued to Lind a two-year, interest free convertible promissory note in the principal amount of $300,000 and a warrant to purchase 3,505 shares of common stock of the Company, for the aggregate amount of $250,000. In connection with the issuance of the note and the warrant, the Company paid a $12,500 commitment fee. The proceeds from the sale of the note and warrant are for general working capital purposes.

On August 3, 2024 the Company and Lind entered into a waiver and acknowledgement agreement.

The Company and Lind previously entered into that certain Securities Purchase Agreement, dated as of May 20, 2023, as amended on July 27, 2023 pursuant to which the Company issued Lind a senior convertible promissory note in the principal amount of $300,000. Each of the Company and Lind acknowledge that the amounts owing under the convertible promissory note as of the filing of the Waiver Agreement is equal to $355,500.

During the nine months ended September 30, 2026, there were no payments to the note principal. As of September 30, 2026 and December 31, 2025, the outstanding balance on the notes was $55,500.

Debt with Third-Party Investors

On January 28, 2025, the Company entered into a subordinated business loan and security agreement with a third-party lender and collateral agent providing for a term loan in the principal amount of $420,000, with total repayment of principal and interest of $596,400 and a maturity date of August 15, 2025. Commencing February 7, 2025, the Company is required to make weekly payments of $21,300 until the maturity date. The loan may be prepaid subject to a prepayment fee. In connection with the loan, the Company paid an administrative agent fee of $20,000, which was recorded as a debt discount and is being amortized over the term of the loan. For the nine months ended September 30, 2026, the Company made no principal and interest payments. The outstanding balance on the loan was $266,000 as of September 30, 2026.

On January 28, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $149,650 with an original issue discount of $19,650 (the "January 2025 Convertible Note"). The January 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $19,454 paid upon issuance and a maturity date of October 30, 2025. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the January 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the January 2025 Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company may not, without written consent, sell, lease, or otherwise dispose of any significant portion of its assets except in the ordinary course of business. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the January 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made principal payments on the loan totaling $6,860 and no interest payments. The outstanding balance of on the loan was $53,312 as of September 30, 2026.

On August 25, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $169,500 with an original issue discount of $25,425 (the "August 2025 Convertible Note"). The August Convertible Note has an interest rate of 13% with a one-time interest payment of $22,035 paid upon issuance and a maturity date of August 25, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the August Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the August Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the August Convertible Note. For the nine months ended September 30, 2026, the Company made principal payments of $0 and interest payments of $8,628. The outstanding balance of on the note was $169,500 as of September 30, 2026. Interest expense related to the loan $14,137 for the nine months ended September 30, 2026.

On December 5, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $73,025 with an original issue discount of $9,525 (the "December 2025 Convertible Note"). The December 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $9,493 paid upon issuance and a maturity date of December 5, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the December 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 22% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the December 2025 Convertible Note into shares of the Company's common stock at a conversion price of 75% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the December 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance of on the note was $73,025 as of September 30, 2026. Interest expense related to the loan $5,509 for the nine months ended September 30, 2026.

On September 16, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $47,059 with an original issue discount of $7,059 (the "September 16, 2025 Convertible Note"). The September 16, 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $6,118 paid upon issuance and a maturity date of June 16, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the September 16, 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the September 16, 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the September 16, 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $47,059. Interest expense related to the loan $4,078 for the nine months ended September 30, 2026.

On November 13, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $40,000 with an original issue discount of $6,000 (the "November 2025 Convertible Note"). The November 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $5,200 paid upon issuance and a maturity date of August 13, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the November 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the November 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the November 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $40,000. Interest expense related to the loan $3,466 for the nine months ended September 30, 2026.

On September 18, 2025, the Company issued a convertible promissory note to a third-party investor in the principal amount of $47,059 with an original issue discount of $7,059 (the "September 18, 2025 Convertible Note"). The September 18, 2025 Convertible Note has an interest rate of 13% with a one-time interest payment of $6,118 paid upon issuance and a maturity date of June 16, 2026. The proceeds from the issuance were used for general working capital purposes. Upon the occurrence of an event of default as described in the September 18, 2025 Convertible Note, the note will become immediately due and payable at a default interest rate of 24% of the then outstanding principal amount of the note. Additionally, the third-party investor will have the right to convert all or any part of the outstanding and unpaid amount of the September 18, 2025 Convertible Note into shares of the Company's common stock at a conversion price of 65% of the market price as described in the note. The Company will reserve a sufficient number of shares to provide for the issuance of shares upon the full conversion of the September 18, 2025 Convertible Note. For the nine months ended September 30, 2026, the Company made principal payment of $4,680 and no interest payments on the note. The outstanding balance on the note was $42,379. Interest expense related to the loan $4,078 for the nine months ended September 30, 2026.

On March 10, 2026, the Company issued a convertible promissory note to a third-party investor in the principal amount of $57,500 (the "March 2026 Convertible Note"). The note was issued with an original issue discount of $7,500, resulting in net proceeds to the Company of $50,000. The note includes a one-time interest charge of $7,475 and has a maturity date of December 10, 2026. Upon the occurrence of an event of default, the note accrues interest at a rate of up to 24% per annum on the outstanding principal balance. The note may be prepaid in accordance with its terms and may also be convertible into shares of the Company's common stock, subject to the provisions of the note agreement. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $57,500. Interest expense related to the loan $2,491 for the nine months ended September 30, 2026.

On July 17, 2026, the Company issued a convertible promissory note to a third-party investor in the principal amount of $30,000 (the "July 2026 Convertible Note"). The note was issued with an original issue discount of $5,000, resulting in net proceeds to the Company of $25,000. The note includes a one-time interest charge of $4,500 and has a maturity date of April 17, 2027. Upon the occurrence of an event of default, the note accrues interest at a rate of up to 24% per annum on the outstanding principal balance. The note may be prepaid in accordance with its terms and may also be convertible into shares of the Company's common stock, subject to the provisions of the note agreement. For the nine months ended September 30, 2026, the Company made no principal and interest payments on the note. The outstanding balance on the note was $30,000. There was no interest expense related to the loan for the nine months ended September 30, 2026.

August 2024 Private Placement Offering

In August, 2024, the Company entered into securities purchase agreements (each a "Securities Purchase Agreement") with each of Quick Capital, LLC, a Wyoming limited liability company ("Quick Capital") and Jefferson Street Capital, LLC, a New Jersey limited liability company ("Jefferson") whereby we issued promissory notes in the aggregate principal amount of $550,000 (the "August Private Placement Offering").

The Company agreed to issue to Quick Capital and Jefferson up to 39,300 shares of our Common Stock as a "Commitment Fee".

As part of the August Private Placement Offering, the Company issued two promissory notes each in the principal amount of $275,000 with an original issue discount of $25,000 (the "Private Placement Notes"). The Private Placement Notes have a one-time interest payment of $27,500. Thereafter, any principal amount of interest which is not paid upon maturity will accrue at a rate of the lesser of (i) sixteen percent (16%) per annum, or (ii) the maximum amount permitted by law from the due date thereof until the same is paid. The Private Placement Notes have a maturity date of 10 months after issuance and the proceeds from the notes are for general corporate purposes. The Company agreed to issue to each of Quick Capital and Jefferson 19,650 shares of Common Stock as additional consideration for entering into Private Placement Notes.

The investors have the right, at any time on or following the earlier of (i) the date that any of the shares are registered for resale under a registration statement of the Company or (ii) the date that is six (6) months after the issue date, to convert all or any portion of the then outstanding and unpaid principal and interest into fully paid and non-assessable shares of our Common Stock. The conversion price shall be $1.50, subject to adjustments. We have agreed to reserve a sufficient number of Common Stock (initially, 2,000,000 shares) for issuance upon conversion of the Private Placement Notes in accordance with their terms.

If an event of default occurs under the Private Placement Notes, the investors have the right to convert all amounts outstanding under the notes at any time thereafter into shares of Common Stock at the lesser of (i) the then applicable conversion price under the notes or (ii) the Market Price. "Market Price" shall mean 85% of the lowest VWAP on any trading day during the ten (10) trading days prior to the respective conversion date. "VWAP" means, for any security as of any date, the dollar volume-weighted average price for such security on the principal market during the period beginning at 9:30 a.m., Eastern Standard Time, and ending at 4:00 p.m., Eastern Standard Time, as reported by Quote stream or other similar quotation service provider designated by the investors.

The Company may prepay the Private Placement Notes at any time with fifteen (15) trading days prior written notice (the "Prepayment Notice Period"). During the Prepayment Notice Period, the investor shall have the right to convert all or any portion of the Private Placement Notes pursuant to the terms of the notes, including the amount of the Private Placement Notes to be prepaid. If the Company exercises its right to prepay the notes, the Company shall make payment to the investor of an amount in cash equal to the sum of: (i) 100% multiplied by the principal amount then outstanding plus (ii) accrued and unpaid interest on the principal amount to the Prepayment Notice Date, and (iii) $750 to reimburse the investor for administrative fees.

If the Company delivers a prepayment notice and fails to pay the applicable prepayment amount, the Company shall forever forfeit its right to prepay any part of the Private Placement Notes.

The Private Placement Notes have mandatory monthly payments of $43,200. The initial payments are due on November 9, 2024 and November 12, 2024, respectively.

The Company's failure to comply with the material terms of the Private Placement Notes will be considered an event of default and the principal sum of the Private Placement Notes will become immediately due and payable at an amount equal to the principal amount then outstanding plus accrued interest (including any default interest) through the date of full repayment multiplied by 135%, as well as all costs, all without demand, presentment or notice, unless expressly waived by the investor.

The investors may assign their rights to any "accredited investor" (as defined in Rule 501(a) of the 1933 Act) in a private transaction or to any of its affiliates without the consent of the Company.

While the Private Placement Notes remain outstanding, we shall not, without the investor's written consent (i) (a) pay, declare or set apart for such payment, any dividend or other distribution on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution with respect to its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Company's disinterested directors, (ii) redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Company or any warrants, rights or options to purchase or acquire any such shares, or repay any indebtedness of the investor (iii) advance any loans made in the ordinary course of business in excess of $100,000, (iv) sell, lease or otherwise dispose of any significant portion of our assets outside the ordinary course of business, and (v) enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) or Section 3(a)(10) of the Securities Act.

In conjunction with the August Private Placement Offering, the Company entered into a registration rights agreement with each of Quick Capital and Jefferson. The Company agreed to file a registration statement with the Securities and Exchange Commission to register the re-sale of the maximum number of shares of Common Stock covered in the August Private Placement Offering within sixty (60) calendar days from the date of execution.

During the nine months ended September 30, 2026, the Company made aggregate principal payments on the Private Placement Notes of $29,242 of which was paid through the issuance of an aggregate of 43,152,282 shares of common stock. The outstanding balance on the loan was $33,006 as of September 30, 2026. Interest expense related to the loan $7,544 for the nine months ended September 30, 2026.

Unaffiliated Note

On October 29, 2025, the Company entered into a promissory note agreement with an unaffiliated third-party lender for aggregate principal of $50,000. The note bears interest at a rate of 32% per annum and matures on July 29, 2026. The proceeds are for general working capital. Upon the occurrence of an event of default as described in the note, the note will become immediately due and payable at a default interest rate of 25% of the then outstanding principal amount of the note. For the nine months ended September 30, 2026, the Company made principal payments of $16,019 and interest payments of $5,473. The outstanding balance on the note was $25,899 as of September 30, 2026.

Vehicle Loan

On December 7, 2024, the Company entered into a financing loan in connection with the purchase of a company vehicle. The loan has a principal amount of $69,299, bears interest at an annual rate of 9.34%, and is repayable in monthly installments of $1,450, including principal and interest, over a term of 60 months. For the nine months ended September 30, 2026, the Company made principal payments of $7,861 on the loan and interest payments of $3,739. The outstanding balance on the loan was $48,324 as of September 30, 2026.

The Company is evaluating potential opportunities to seek refunds, duty drawbacks, exclusions, and other recoveries related to tariffs paid on certain imported products and raw materials. The Company is currently gathering supporting documentation and assessing eligibility requirements under applicable laws and regulations.

While the Company believes it may be entitled to pursue certain recoveries, no claims have been submitted as of July 16, 2026, and the amount and timing of any potential recoveries remain uncertain. Accordingly, the Company has not recognized any assets or benefits related to potential tariff recoveries in its consolidated financial statements.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, as of September 30, 2026, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended. Based on this evaluation our principal executive officer and principal financial officer have concluded that based on the material weaknesses discussed below our disclosure controls and procedures were not effective as of such date to ensure that information required to be disclosed by us in reports filed or submitted under the Securities Exchange Act were recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and that our disclosure controls are not effectively designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The matters involving internal controls and procedures that our management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were:

- inadequate control over the monitoring of inventory maintained in the Company's third-party warehouse;
- ineffective controls over the Company's financial close and reporting process; and
- inadequate segregation of duties consistent with control objectives, including lack of personnel resources and technical accounting expertise within the accounting function of the Company.

Management's Remediation Initiatives

In an effort to remediate the identified material weaknesses and other deficiencies and enhance our internal controls, we plan to further initiate, the following measures, subject to the availability of required resources:

- We plan to create a position to segregate duties consistent with control objectives and hire personnel resources with technical accounting expertise within the accounting function; and
- We plan to create an internal control framework that will address financial close and reporting process, among other procedures.

Changes in Internal Control over Financial Reporting

During the period covered by this Quarterly Report, there were no changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no material pending legal proceedings to which we are a party or in which any director, officer or affiliate of ours, any owner of record or beneficially of more than 5% of any class of our voting securities, or security holder is a party adverse to us or has a material interest adverse to us.

ITEM 1A. RISK FACTORS

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On January 16, 2026, the Company issued an aggregate of 4,085,714 shares of common stock, to the designee of ClearThink Capital for consulting services provided to the Company.

During the nine months ended September 30, 2026, the Company issued an aggregate of 43,152,282 shares of common stock to a third-party investor as partial conversion of $29,242 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued 9,910,149 shares of common stock to a third-party investor as partial conversion of $6,860 principal pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued an aggregate of 15,100,000 shares of common stock to a third-party investor as conversion of $8,627 interest pursuant to the convertible promissory note.

During the nine months ended September 30, 2026, the Company issued an aggregate of 8,000,000 shares of common stock to a third-party investor as conversion of $4,680 principal pursuant to the convertible promissory note.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the nine months ended September 30, 2026, none of the Company's directors or officers adopted or terminated any contract, instruction, or written plan for the purchase or sale of the Company's securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any non-Rule 10b5-1 trading arrangements as defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BLUE STAR FOODS CORP.

Dated: November 23, 2026

By: */s/ John Keeler*
Name: John Keeler
Title: Executive Chairman and Chief Executive Officer
(Principal Executive Officer, Principal Financial Officer and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT AND RULE 13A-14(A)
OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, John Keeler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Blue Star Foods Corp.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2026

/s/ John Keeler
John Keeler
Executive Chairman and Chief Executive Officer
(Principal Executive Officer, Principal Financial Officer and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Blue Star Foods Corp. (the "Company"), for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Keeler, Executive Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: November 23, 2026

By: */s/ John Keeler*
Name: John Keeler
Title: Executive Chairman and Chief Executive Officer
(Principal Executive Officer, Principal Financial Officer and Accounting Officer)