



# **Quest PharmaTech Inc.**

**Management's Discussion & Analysis**

**For the year ended January 31, 2026**

*(Expressed in Canadian Dollars, unless otherwise noted)*

May 27, 2026

## **Table of Contents**

Management's Responsibility .....	1
Forward Looking Statements .....	2
PART I – COMPANY AND HIGHLIGHTS.....	3
Company .....	3
Date and Subject of Report .....	3
Highlights for the Year ended January 31, 2026 .....	3
Events Subsequent to January 31, 2026.....	3
Products Under Development .....	3
Equity Investments .....	4
Overall Performance.....	5
Results of Operations .....	5
Expenses.....	5
Fourth Quarter Results of Operations .....	6
Summary of Quarterly Information .....	6
Share-Based Payment Transactions.....	7
Capital Expenditures .....	7
Outstanding Share Data.....	7
Contractual Obligations .....	7
Investment in OncoQuest Inc. and OQP Bio Bonds and OQPBIOM shares.....	7
PART III – FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES .....	9
Liquidity .....	9
Going concern .....	9
Capital Resources .....	9
Cash Flow Information.....	10
Transactions with Related Parties .....	10
PART IV – RISKS .....	12
PART V – ACCOUNTING POLICIES, ESTIMATES, AND INTERNAL CONTROLS .....	14
Significant Accounting Policies.....	14
Accounting Estimates and Judgments .....	16
Related Party Transactions .....	18
Capital Management .....	19
Financial Instruments and Financial Risk Management.....	19
Management's Report on Disclosure Controls and Procedures and Internal Control over Financial Reporting.....	22

## **Management's Discussion & Analysis For the year ended January 31, 2026**

This management discussion and analysis ("MD&A") of the results of the operations and financial position of Quest PharmaTech Inc. (the "Company" or "Quest Pharma") should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended January 31, 2026, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for financial statements issued by the International Accounting Standards Board. The Company reports its financial results in Canadian dollars and all references to \$ in this MD&A refer to the Canadian dollar.

The MD&A is intended to enable readers to gain an understanding of the Company's current results and financial position. To do so, we provide information and analysis comparing the results of audited operations and financial position for the current period to those of the same period of the prior year and the comparable period, where applicable. We also provide analysis and commentary that we believe is required to assess the Company's future activities. Accordingly, certain sections of this report contain forward-looking statements based on current plans and expectations. These forward-looking statements are affected by the risks and uncertainties that are discussed in this document on future prospects. Readers are cautioned that actual results could vary.

### **Management's Responsibility**

The Company's management is responsible for the preparation and presentation of the audited financial statements and the MD&A. This MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators. Additional information regarding the Company, including the latest Annual Information Form, is available on our website at [www.questpharmatech.com](http://www.questpharmatech.com) or through the SEDAR website at [www.sedar.com](http://www.sedar.com).

The information provided in this report, including the audited financial statements, is the responsibility of management. In the preparation of these statements, estimates and judgements are sometimes necessary to make a determination of the future value for certain assets or liabilities. Management believes such estimates and judgements have been based on careful assessments and have been properly reflected in the accompanying audited financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

## **Forward Looking Statements**

This MD&A contains "forward-looking statements" within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. They are based on certain factors and assumptions, including expected growth, results of operations, business prospects and opportunities. Use of words such as "anticipate", "plan", "continue", "estimate", "expect", "intend", "propose", "may", "will", "project", "should", "could", "would", "believe", "predict", "target", "aim", "pursue", "potential" and "objective" and the negative of these terms or other similar expressions may indicate a "forward-looking" statement. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in our publicly filed documents and in this MD&A under the heading "Risks and Uncertainties". Those risks and uncertainties include, but are not limited to, the ability to maintain profitability and manage growth, reliance on information systems and technology, reputational risk, regulatory risks, reliance on key professionals, the ability to successfully integrate acquisitions, trends in digital collectables, market compliance with current smart contract standards, general economic conditions and pandemics, natural disasters or other unanticipated events (including the novel coronavirus ("COVID-19") pandemic). Many of these risks and uncertainties can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. The forward-looking statements contained herein reflect management's current views, but the assessments and assumptions upon which they are based may prove to be incorrect. Although Management believes that its underlying assessments and assumptions are reasonable based on currently available information, given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

These statements are made as of the date of this MD&A and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of us, our financial or operating results or our securities. All figures are in Canadian dollars except share and per share data unless otherwise noted.

## **PART I – COMPANY AND HIGHLIGHTS**

### **Company**

Quest PharmaTech Inc. (the “Company”) is a publicly traded, Canadian-based pharmaceutical company developing products to improve the quality of life. The Company is developing targeted cancer therapy with its lead product (MAb AR9.6), under development for a novel target (truncated O-glycans on MUC16) discovered at the University of Nebraska Medical Center.

The Company’s head office is located at 4342-97 Street NW, Edmonton, Alberta, Canada, T6E 5R9 and it is incorporated under the Business Corporations Act (Alberta). The Company is publicly traded on the TSX Venture Exchange under the symbol “QPT.”

### **Date and Subject of Report**

The following is Management's Discussion and Analysis of the results of operations and financial position of Quest Pharma as at and for the year ended January 31, 2026, and to the date of this MD&A.

This MD&A should be read in conjunction with the audited financial statements for the year ended January 31, 2026.

The Company reports its financial results in Canadian. All financial information in this MD&A is derived from the Company's audited financial statements for the year ended January 31, 2026, and 2025 are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

### **Highlights for the Year ended January 31, 2026**

On February 17, 2025, Quest exchanged its OQP Bio bonds for bonds of OQPBIOM Inc. On April 7, 2025, Quest converted its OQPBIOM bonds into OQPBIOM shares. As a result, Quest now has a 26% ownership interest in OQPBIOM. OQPBIOM is a private Korean company that owns the Immunotherapy assets and is developing immunotherapeutic products for the treatment of cancer

During the year ended January 31, 2026, the Company received patent approval in China for its targeted cancer therapy technology MAb AR9.6.

### **Events Subsequent to January 31, 2026**

The Company has evaluated subsequent events through May 27, 2026, which is the date the financial statements were issued, and determined that there were no material events requiring adjustment to or disclosure in the financial statements.

### **Products Under Development**

#### **MAb AR9.6**

Quest has identified and validated the tumor-targeting ability of a novel monoclonal antibody, AR9.6, that binds to MUC16 and blocks the activation of growth factor receptors and thereby inhibits phosphorylation of Akt, which leads to reduced cell proliferation, in vivo tumor growth and metastasis. AR9.6, as a promising theragnostic agent, was established in animal models, leading to six manuscripts in peer reviewed journals and two patents. The potential cancer targets include pancreatic, colon, leukemia, ovarian and breast cancer.

## **Equity Investments**

### **OncoQuest Inc.**

OncoQuest is a private Canadian biotechnology company developing next generation of combinatorial immunotherapy products for the treatment of cancer. On April 22, 2020, OncoQuest announced a definitive agreement to sell its drug portfolio to OQP Bio in exchange for OQP Bio bonds and cash with a notional value of USD 308.4 million and a commitment to fund the Oregovomab Phase 3 Clinical Trial. Quest has a 42.52% equity interest in OncoQuest.

### **OncoVent Co., Ltd.**

OncoVent is a China-based global pharmaceutical company focusing on the development, manufacturing, and commercialization of Cancer Immunotherapy Products within China with pancreatic cancer as its first target. OncoVent holds the license for OncoQuest's immunotherapy portfolio for the greater China market. Quest has a 10.67% direct interest in OncoVent (23% indirect).

### **Bioceltran Co., Ltd.**

In September 2022, the Company sold its ownership interest in Bioceltran Co. Ltd. for proceeds of \$300,000. As part of the transaction, the Company also terminated the exclusive license for Photodynamic Therapy technology. \$90,000 was paid on execution of the sale agreement, \$10,000 was paid December 2023. Although the remaining \$200,000 has been written off, there remains a possibility of recovery in the near future, as the amount due has been collateralized by 169,355 shares of Bioceltran that Quest received subsequent to year-end.

## PART II – REVIEW OF FINANCIAL RESULTS

### Overall Performance

Net income for the year ended January 31, 2026 was \$4,998,369 or \$0.030 per share on a basic and fully diluted basis, as compared to a net loss of \$1,801,058 or \$0.011 per share on a basic and fully diluted basis for the year ended January 31, 2025. Research and development expenditures for the year ended January 31, 2026 totaled \$242,324 while general and administrative expenses were \$468,935 for the same period. As of January 31, 2026, the Company had cash balance of \$14,363 (January 31, 2025 – \$205,085).

### Selected Annual Financial Information

<u>For the year ended January 31, 2026</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>
	\$	\$	\$
Net income (loss)	4,998,369	(1,801,058)	(3,018,007)
Basic income (loss) / share	0.030	(0.011)	(0.018)
Diluted income (loss) / share	0.030	(0.011)	(0.018)
Total assets	27,754,356	24,203,918	24,475,797

### Results of Operations

Quest's net income (loss) for the years ended January 31, 2026 and 2025 includes significant non-cash items, including equity method gain of \$2,712,240 and equity method loss of (802,343) respectively, recognized from Quest's investment in OncoQuest. Other significant non-cash items include fair value adjustment in investment in OQPBIOM shares and OQP Bio Bonds. For the years ended January 31, 2026 and 2025, the fair value adjustment in investment in OQPBIOM shares and OQP Bio Bonds was \$2,718,670 and \$ (458,898) respectively.

After adjusting for non-cash items, cash flows used in operating activities for the year ended January 31, 2026 were \$190,722 as compared to \$511,878 for the year ended January 31, 2025.

### Expenses

The following table identifies the changes in general and administrative expenses for the year ended January 31, 2026, compared to the year ended January 31, 2025.

<u>General and administrative expenses</u>	<u>2026</u>	<u>2025</u>	<u>Change</u>
	\$	\$	\$
Salaries, wages and benefits	130,770	44,251	86,519
Professional fees	203,279	238,100	(34,821)
Bad debt expense	—	100,000	(100,000)
Other support costs	38,289	17,139	21,150
Travel	1,743	1,160	583
Public company related costs	22,355	26,777	(4,422)
Insurance	30,558	29,741	817
Rent	41,941	30,936	11,005
	<b>468,935</b>	<b>488,104</b>	<b>(19,169)</b>

Overall, the general and administrative expenses have decreased during the year ended January 31, 2026, compared to the prior year ended January 31, 2025, primarily due to decrease in bad debts expense and professional fees.

The following table identifies the changes in research and development (R&D) expenses for the year ended January 31, 2026, compared to the year ended January 31, 2025.

Research and development expenses	2026	2025	Change
	\$	\$	\$
Salaries, wages and benefits	225,250	310,348	(85,098)
Legal (patent prosecution)	16,835	18,599	(1,764)
Other R&D costs	239	234	5
	<b>242,324</b>	<b>329,181</b>	<b>(86,857)</b>

R&D costs have decreased during the year ended January 31, 2026, compared to 2025 mostly due to decrease in salaries, wages and benefits.

#### **Fourth Quarter Results of Operations**

For the three months ended January 31, 2026 ("Q4 2026"), the Company had a net income of \$3,400,946 or \$0.0201 basic and fully diluted loss per share, compared to a net loss of \$690,933 or \$(0.0041) basic and fully diluted per share for the three months ended January 31, 2025 ("Q4 2025"). The net income for Q4 2026 relates primarily to the equity method income and fair value adjustments for Quest's investment in OncoQuest. Research and development costs of \$61,445 were incurred during Q4 2026 compared to \$16,733 during Q4 2025. General and administrative costs were \$135,623 for Q4 2026 compared to \$260,433 for Q4 2025.

#### **Summary of Quarterly Information**

For the year ended January 31, 2026	Q4 2026	Q3 2026	Q2 2026	Q1 2026
	\$	\$	\$	\$
Revenue	—	—	—	—
Net income (loss)	3,400,946	1,597,423	518,905	695,077
Basic income (loss) per share	0.0201	0.0094	0.0031	0.0041
Fully diluted income (loss) per share	0.0201	0.0094	0.0031	0.0041

  

For the year ended January 31, 2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025
	\$	\$	\$	\$
Revenue	—	—	—	—
Net loss	(690,933)	(107,035)	(141,764)	(861,326)
Basic loss per share	(0.0041)	(0.0006)	(0.0008)	(0.0051)
Fully diluted loss per share	(0.0041)	(0.0006)	(0.0008)	(0.0051)

### **Share-Based Payment Transactions**

During the year ended January 31, 2026, the Company granted 2,000,000 (2025 – 2,800,000) share options, as per the Company’s Share Option Plan. The fair value of these options, amounting to \$80,000, was recognized as an expense and credited to the contributed surplus for the year ended January 31, 2026 (2025 - \$84,000).

### **Capital Expenditures**

During the years ended January 31, 2026, and 2025, the Company did not spend any amount on capital assets.

### **Outstanding Share Data**

The Company has the following securities outstanding as of the date of this MD&A:

Common shares issued and outstanding	169,129,247
Share options outstanding	21,105,000

Fully diluted common shares outstanding are 190,234,247 assuming the exercise of all share options.

### **Contractual Obligations**

In the normal course of operations, Quest has entered contracts providing for the following payments over the following fiscal years:

	Payments due by year				
	Total	Within 1 year	2 – 3 years	4 – 5 years	After 5 years
Operating leases	\$ 30,700	\$ 21,600	\$ 9,100	\$ —	\$ —
<b>Total contractual obligations</b>	<b>30,700</b>	<b>21,600</b>	<b>9,100</b>	<b>—</b>	<b>—</b>

### **Investment in OncoQuest Inc. and OQP Bio Bonds and OQPBIOM shares**

The Company owns 42.52% of the common shares of OncoQuest Inc. The Company accounts for this investment using the Equity Method of accounting.

OncoQuest recorded a net income for the year ended January 31, 2026 of USD 4,582,188 Cdn\$6,379,212 compared to a loss of USD 1,369,061 or Cdn\$1,886,971. This income resulted from escrow funds, refund of corporate income tax, fair value adjustment in investment in OQPBIOM shares etc, Quest, with a 42.52% ownership interest in OncoQuest as at January 31, 2026, recorded an Equity Method income of Cdn\$2,712,441.

Quest recorded a foreign exchange adjustment in other comprehensive loss of \$47,854.

The Company's equity investment in OncoQuest is as follows for the years ended January 31, 2026 and 2025:

	<b>Amount</b>
	<b>\$</b>
<b>Balance – January 31, 2024</b>	<b>6,137,735</b>
Equity method loss	(802,343)
Other comprehensive income – foreign exchange	(40,807)
<b>Balance – January 31, 2025</b>	<b>5,294,585</b>
	<b>Amount</b>
	<b>\$</b>
<b>Balance – January 31, 2025</b>	<b>5,294,585</b>
Equity method income	2,712,440
Other comprehensive expense – foreign exchange	(47,854)
<b>Balance – January 31, 2026</b>	<b>7,959,171</b>

#### OncoQuest Summarized Financial Information

	<b>January 31, 2026</b>	<b>January 31, 2025</b>
	USD	USD
Current assets	477,785	320,318
Non-current assets	13,619,485	9,914,537
Current liabilities	(876,466)	(1,695,765)
Non-current liabilities	(99,525)	–

	<b>January 31, 2026</b>	<b>January 31, 2025</b>
	USD	USD
Revenue	–	–
Cost of goods sold	–	–
Gross Profit	–	–
Expenses	(413,795)	(515,577)
Other income/ (expense)	4,996,869	(853,484)
Income (loss) before tax	4,582,188	(1,369,061)
Other comprehensive income (loss) before tax	4,582,188	(1,369,061)

Summarized financial information for Quest's other investment, OncoVent is not included because the information is not considered to be material at this time.

#### Investment in OQP Bio Bonds and OQPBIOM shares

OQP Bio Bonds received as a dividend.

On July 18, 2024, an agreement was reached, whereby the bonds of OQP Bio held by Quest and other bondholders were exchanged for bonds of OQPBIOM Inc. at face value, subject to Bank of Korea approval and the transfer of the assets and liabilities of OQP Bio to OQPBIOM Inc. OQPBIOM is a private Korean company that owns the immunotherapy assets and is developing immunotherapeutic products for the treatment of cancer.

The July 18, 2024 agreement was consummated on February 17, 2025 and Quest exchanged its OQP Bio bonds for bonds of OPPBIOM Inc.

On April 7, 2025, Quest converted its OQPBIOM bonds into OQPBIOM shares. As a result, Quest now has a 26.6 % interest in OQPBIOM.

Refer to Note 6 and 10 of the Company's audited financial statements for details on the valuation methods and inputs used to value the investment.

## **PART III – FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES**

### **Liquidity**

The Company's objective when managing its liquidity and capital structure is to generate sufficient cash to fund the Company's operating and growth requirements.

The following table provides an overview of the Company's liquidity status of the Company:

<b>As at</b>	<b>January 31, 2026</b>	<b>January 31, 2025</b>
	\$	\$
Cash and cash equivalents	14,363	205,085
Current assets	32,881	225,279
Current liabilities	1,328,686	1,168,343
Working capital deficit	(1,295,805)	(943,064)

### **Going concern**

The Company's financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its liabilities in the normal course of operations for the foreseeable future.

As at January 31, 2026, the Company had cash of \$14,363 (2025: \$205,085) and a working capital deficiency of \$1,295,805 (2025: \$943,064). The Company has historically incurred operating losses and continues to experience negative cash flows from operations.

While the Company reported net income of \$4,998,369 for the year ended January 31, 2026, this income was primarily driven by non-cash items, including equity income from its investment in OncoQuest and fair value adjustments on investments. The Company's ability to generate sufficient cash flows from operations in the short term remains limited.

The Company's assets are primarily comprised of investments in OncoQuest and OQPBIOM, which are illiquid in nature and subject to significant estimation uncertainty, and there can be no assurance that these investments can be monetized in a timely manner or at amounts consistent with their carrying values. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on its ability to:

- Raise additional capital through equity or debt financing;
- Enter into strategic partnerships or licensing arrangements; and
- Generate proceeds from the potential monetization of its investments.

There is no assurance that the Company will be successful in obtaining such financing or completing such transactions on acceptable terms, if at all.

If the Company is unable to obtain additional financing or realize its assets in a timely manner, it may be unable to meet its obligations as they come due.

The financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that would be required if the Company were unable to continue as a going concern. Such adjustments could be material.

### **Capital Resources**

The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to raise additional capital to successfully complete its research and development programs, commercialize its technologies, conduct clinical trials, and receive regulatory approval for its products.

On January 31, 2026, cash was \$14,363, as compared to cash of \$205,085 on January 31, 2025.

The Company continues to implement a disciplined approach to containing costs and is focusing on programs aimed at achieving near-term goals.

Quest's funding needs will vary as its drug development products move into and through clinical trials. Based on current operating budgets, management believes that the capital resources of the Company should be sufficient to fund operations into the first quarter of fiscal 2026. The Company will seek additional capital through the sale of non-core assets, further equity financing, licensing arrangements involving its core technologies and strategic partnerships.

### **Cash Flow Information**

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

<b>For the year ended</b>	<b>January 31, 2026</b>	<b>January 31, 2025</b>
	\$	\$
Net cash provided by (used in):		
Operating activities	(190,722)	(511,878)
Investing activities	—	—
Financing activities	—	—
<b>Change in cash</b>	<b>(190,722)</b>	<b>(511,878)</b>

### **Operating Activities**

The Company used \$190,722 of cash in operating activities for the year ended January 31, 2026, compared to \$511,878 used in the prior year. The change is primarily due to changes in accounts payable and accrued liabilities, higher non-cash adjustments contributed to the change in use of cash in operations as compared to prior year.

### **Investing Activities**

The Company used \$nil of cash in investing activities during the year ended January 31, 2026 and January 31, 2025.

### **Financing Activities**

The Company used \$nil of cash in financing activities during the year ended January 31, 2026 and January 31, 2025.

### **Transactions with Related Parties**

See "*Part V – Accounting Policies, Estimates and Internal Controls – Related party transactions*".

### **Financial Position**

The following table sets forth selected information regarding the Company's financial position:

As at	January 31, 2026	January 31, 2025
	\$	\$
Cash	14,363	205,085
Prepaid expenses	18,519	20,194
Prepaid expenses (Non-current)	5,855	5,855
Investment in OncoQuest	7,959,171	5,294,585
Investment in OQP Bio Bonds and OQPBIOM Shares	19,756,449	17,037,779
Accounts payables and accrued liabilities	328,686	168,343
Short term loan	1,000,000	1,000,000
Shareholders' equity	26,425,670	21,395,155

### **Cash**

As of January 31, 2025, the Company had cash of \$14,363 compared to \$205,085 as of January 31, 2025. The changes in cash are discussed above in the summary of cash flow activities. See above "Cash Flow Information."

### **Prepaid expenses and deposits**

The balance is made up of prepayments for insurance and a security deposit lease property.

### **Investments**

See above "Investment in OncoQuest Inc. and OQP Bio Bonds" in Part II for detailed information.

### **Trade payables and accrued liabilities**

This balance includes liabilities incurred on a regular course of business. The balance has decreased due to the timing difference of the recognition and settlement of regular payables.

### **Short term loan**

Effective during the year ended January 31, 2021, the Company entered in a loan agreement with OncoQuest Inc where the Company received a short-term, unsecured, 2% interest-bearing debt and with no fixed term of repayment and repayable on demand. The funding is for drug development and operational purposes.

### **Shareholders' equity**

Shareholders' equity increased due to the net income of \$4,998,369 offset by share-based payments of \$80,000.

## **PART IV – RISKS**

The Company is subject to many risks which are outlined below:

- Going concern uncertainty - The Company's financial statements have been prepared on a going concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company has experienced significant operating losses and cash outflows from operations since its inception. The Company's ability to continue as a going concern is uncertain and is dependent upon its ability to raise additional capital to successfully complete its research and development programs, commercialize its technologies and conduct clinical trials and receive regulatory approvals for its products, and upon the ability and timing for OncoQuest to monetize the consideration received in the transaction with OQP Korea and distribute any net proceeds to shareholders, including to Quest.
- Quest's proprietary technologies are in various stages of development and some technologies have not received regulatory approval to begin clinical trials. It will be necessary for the Company to produce sufficient preclinical data in order to receive regulatory approval to begin clinical trials. There is no assurance that regulatory approval will be received to begin clinical trials. For the proprietary technologies that have received regulatory approval to begin clinical trials, future success will depend upon the ability of the Company to move the products through clinical trials, the effect and safety of these products, the timing and cost to receive regulatory and marketing approvals and the filing and maintenance of patent claims.
- Quest's proprietary technologies have exposure to risks associated with commercialization. Even after product approval is obtained, there is no assurance that the Company will have a sufficient market for its products, or the working capital required for commercialization.
- The Company maintains clinical trial liability and product liability insurance; however, it is possible that this coverage may not provide full protection against all risks.
- The Company may be exposed to risks associated with malfunctioning equipment, catastrophic events, and other events within and outside of the Company's control. The Company maintains insurance believed to be adequate to cover any eventuality, but there is no guarantee that coverage will be sufficient for all purposes.
- To a large degree, the Company's success is dependent upon attracting and retaining key management and scientific personnel to further the Company's drug development programs. There is a risk that the required personnel may not be available to the Company when needed and, as a result, this may have a negative impact on the Company.
- Quest must continue to raise additional capital by issuing new share capital through equity financing, licensing arrangements and/or strategic partnerships. The Company's ability to raise additional capital will depend upon the progress of moving its drug development products into and through clinical trials and the strength of the equity markets, which are uncertain. There can be no assurance that additional capital will be available.
- In March 2021, the trading in the shares of OQP Korea was suspended on the KOSDAQ Exchange due to a denial of an audit opinion related to OQP Korea's December 31, 2020 annual financial statements. Although OncoQuest management continues to work diligently with OQP Korea management to resolve these issues as quickly as possible, it remains uncertain at this time as to whether regulatory approval will ultimately be received or the timing of any such approval. OncoQuest's ability to monetize the consideration received in the transaction with OQP Korea will be dependent upon OQP Korea's ability to fund the repayment of any bonds that become due or that could be redeemed and a liquid trading market being available for any shares of OQP Korea that are received as consideration or issued upon conversion of the bonds held. Monetization of some of the consideration will be necessary for OncoQuest to fund Canadian income tax obligations resulting from the transaction.

- The determination of fair value for Quest's investment in OncoQuest and in the OQP Bio bonds in future periods will depend on management estimates and reasoned judgements for such values looking at appropriate evidence that is available at the time. OncoQuest and OQP Bio are privately held companies with no public trading history. Readers are cautioned that from one reporting period to the next, the change in value for the Company's investments and any resultant fluctuation in earnings per share for Quest may be significant.

## **PART V – ACCOUNTING POLICIES, ESTIMATES, AND INTERNAL CONTROLS**

### **Significant Accounting Policies**

The Company has prepared the accompanying audited financial statements in accordance with International Financial Reporting Standards (“IFRS”). Significant accounting policies are described in Note 4 of the Company’s audited financial statements as at and for the year ended January 31, 2026.

The preparation of audited financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the audited financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

### **Accounting pronouncements adopted**

The following new standards, amendments and interpretations have been issued which are effective for the fiscal year ending January 31, 2026, and, accordingly, have been applied in preparing these financial statements.

#### *IAS 21 Amendments – Lack of Exchangeability*

In August 2023, the IASB issued amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency, and in determining the exchange rate to use and the disclosures to provide when it cannot. These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with early adoption permitted. The Company assessed the impact of the amendment and determined there to be no material impact on the financial statements.

#### *Canadian Sustainability Reporting Standards (CSDS 1 and CSDS 2)*

In December 2024, the Canadian Sustainability Standards Board (“CSSB”), released the final versions of the Canadian Sustainability Reporting Standards, CSDS 1 and CSDS 2 (collectively, the “Canadian Standards”). Currently the adoption of the Canadian Standards remains voluntary. These standards closely align with the ISSB’s international sustainability standards IFRS S1 and IFRS S2, but include certain differences and are applicable from January 1, 2025. Currently the adoption of the Canadian Standards remains voluntary, while the Canadian Securities Administrators are currently evaluating how and to what extent they will be incorporated into future reporting requirements. The Company assessed the impact of the amendment and determined there to be no material impact on the financial statements.

#### *Classification and Measurement of Financial Instruments*

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at FVOCI and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company assessed the impact of the amendment and determined there to be no material impact on the financial statements.

#### *Annual Improvements*

In July 2024, the IASB issued IFRS Accounting Standards Annual Improvements – Volume 11, which clarifies wording, correcting minor consequences, oversights, or conflicts among requirements in the Standards. The amendments affect IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 7 – Financial Instruments: Disclosures, IFRS 9 - Financial Instruments, IFRS 10 - Consolidated Financial Statements, and IAS 7 - Statement of Cash Flows. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company assessed the impact of the amendment and determined there to be no material impact on the financial statements.

### *Contracts Referencing Nature- dependent Electricity*

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to nature-dependent electricity contracts, which are those that generate variable levels based on uncontrollable factors such as weather conditions. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company assessed the impact of the amendment and determined there to be no material impact on the financial statements.

### **Accounting pronouncements not yet effective**

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal year ending January 31, 2026 and, accordingly, have not been applied in preparing these financial statements.

#### *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued the new standard IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures (MPMs) in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the financial statements.

#### *Subsidiaries without Public Accountability: Disclosures*

In May 2024, the IASB issued IFRS 19 – Subsidiaries without Public Accountability: Disclosures. The new standard allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the financial statements.

## **Accounting Estimates and Judgments**

In the application of the Company's accounting policies, management is required to make judgments, estimates, and assumptions that affect the carrying amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the audited financial statements, and the reported amounts of revenues and expenses for the periods presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, the results of which form the basis of the valuation of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Following are the significant areas of judgments and estimates:

### **Useful life of property and equipment**

Depreciation of property and equipment is dependent upon estimates of useful lives, residual values, and patterns in which the assets' future economic benefits are expected to be consumed, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that consider factors such as economic and market conditions and the useful lives of assets.

### **Investments in OncoQuest**

Investments in another company involve several judgments to be exercised, particularly concerning the classification, recognition, and measurement of the investment under International Financial Reporting Standards (IFRS). The nature of these judgments largely depends on the type of investment, the influence or control over the investee, and the purpose of the investment.

### **Investments in OQP Bio Bonds and OQPBIOM Shares**

The Company uses judgment, estimates and third-party valuation experts to estimate the fair value of its investment in OQP Bio bonds. The most critical judgment in bond valuation is the choice of the discount rate, the allocated weight to the weighted probability approach and the loss recovery % methods used, which are influenced by macroeconomic factors. The issuers credit risk significantly influences bond pricing and estimating credit risk involves assessing the issuers credit worthiness. Estimating the timing and the amount of cash flows from a bond also requires judgment. Judgment about market liquidity of the bonds can be based on trading volume and the availability of buyers and sellers. Liquidity of the bond in the market affects its fair value.

### **Impairment of non-financial assets**

Non-financial assets are reviewed for an indication of impairment at each statement of financial position date upon the occurrence of events or changes in circumstances indicating that the carrying value of the assets may not be recoverable, which requires significant judgement. An impairment loss is recognized for the amount by which an asset's or CGU's carrying amount exceeds its recoverable amount, which is the higher of fair value less cost of disposal and value in use.

An intangible asset and related equipment that are not yet available for their intended use are tested for impairment at least annually, which also requires significant judgement. To determine the recoverable amount (value in use or fair value less cost to dispose of these assets), management estimates expected future cash flows from the asset or CGU and determines a suitable interest rate in order to calculate the present value of those cash flows using a discounted cash flow model. In the process of measuring expected future cash flows for intangible and tangible assets not yet available for their intended use, management makes assumptions about future operating results using the estimated forecasted prices obtained from various market sources. These key assumptions relate to future events and circumstances. The actual results will vary and may cause adjustments to the Company's assets in future periods. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and to asset-specific risk factors.

By their nature, assets not yet available for intended use have a higher estimation uncertainty, as they depend on future market development and the Company's ability to commercialize and manufacture new products to realize forecasted earnings. For example, new manufacturing processes may not be scalable to the industrial level within the expected timeframe and new products might not receive sufficient market penetration. Management believes that the following assumptions are the most susceptible to change and impact the valuation of these assets in time: a) expected growth of the market for different renewable energy products (demand), b) selling prices which have an impact on revenues and margins (pricing), c) the discount rate associated with new processes and products.

### **Share-based compensation**

The Company uses estimates, including but not limited to, the fair value of the Company, estimates of forfeitures, share price volatility at the time of issuance, the risk-free interest rates and expected lives of the options and warrants granted in the calculation of the Share-based compensation and issuance related costs, respectively.

### **Income tax**

The Company estimates an income tax provision in accordance with the applicable income tax laws. However, actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements. Additionally, estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions before they expire against future taxable income. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings would be affected in a subsequent period.

The income tax provision is based on estimates of full-year earnings. The average annual effective income tax rates are re-estimated at the end of each reporting period. To the extent that forecasts differ from actual results, adjustments are recorded in subsequent periods.

The company recognizes deferred tax assets and liabilities based on expected future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets, including those arising from tax loss carryforwards, are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax credits can be utilized.

### **Going concern**

These financial statements have been prepared on a going concern basis which presumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of its operations.

### **Collectability of other receivables**

The company assesses the collectability of other receivables by evaluating various factors, including the creditworthiness of debtors, past transaction history, and any subsequent events that may impact the ability of debtors to settle their obligations. Judgment is required in the estimation of expected credit loss and management considers the current economic conditions and industry-specific factors that may affect the debtor's ability to pay and in management's opinion, are reasonable.

## **Related Party Transactions**

### **Key management personnel compensation**

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

The compensation awarded to key management personnel is as follows:

### **Executive Services Agreement**

In July 2020, the Company entered into an Executive Services Agreement with OncoQuest whereby the Company's officers render executive services to OncoQuest for a fee of \$10,000 per month, which increased to \$15,000 per month effective July 1, 2023 and \$25,000 per month effective February 1, 2024.

### **Short term loan**

Effective during the year ended January 31, 2021, the Company entered in a loan agreement with OncoQuest Inc for a short term, unsecured, 2% interest bearing debt, with no fixed term of repayment and repayable on demand. The funding is for drug development and operational purposes. The Company recorded interest expense of \$20,332 for the year ended January 31, 2026 (2025 - \$20,000) recorded under finance expenses in the statement of loss and comprehensive loss. The accrued loan interest is included in the accounts payable and accrued liabilities on the statement of financial position.

The table below shows the movement of the principal and accrued interest balance:

	<b>Principal balance</b>	<b>Accrued interest balance</b>
	\$	\$
<b>Balance – January 31, 2025</b>	1,000,000	64,045
Interest expense	—	20,332
<b>Balance – January 31, 2026</b>	1,000,000	84,377

## **Capital Management**

The Company's objective and policies for managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes changes based on economic conditions, risks that impact on the operations and future significant capital investment opportunities. In order to maintain or adjust its capital structure, the Company may issue new equity instruments or raise additional debt financing.

The Company is exposed to a variety of financial risks by virtue of its activities: market risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors has overall responsibility for the determination of the Company's capital and risk management objectives and policies while retaining ultimate responsibility for them. The Company's overall capital and risk management program has not changed throughout the period. It focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by the finance department under policies approved by the Board of Directors. The finance department identifies and evaluates financial risks in close cooperation with management.

## **Financial Instruments and Financial Risk Management**

When measuring the fair value of a financial asset and a financial liability, the Company uses observable market data as far as possible. There were no transfers between fair value levels during the year. Fair values are categorized into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

<b>As of January 31, 2026</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
Investment in OQP Bio Bonds and OQPBIOM Shares	—	—	19,756,449	19,756,449
	—	—	<b>19,756,449</b>	<b>19,756,449</b>

<b>As of January 31, 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	\$	\$	\$	\$
Investment in OQP Bio Bonds and OQPBIOM Shares	—	—	17,037,779	17,037,779
	—	—	<b>17,037,779</b>	<b>17,037,779</b>

<b>Financial assets</b>			<b>January 31, 2026</b>	<b>January 31, 2025</b>
			\$	\$
Cash	Amortized cost		14,363	205,085
Investment in OQP Bio Bonds and OQPBIOM Shares	FVTPL	Level 3	19,756,449	17,037,779
			<b>19,770,811</b>	<b>17,242,864</b>

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy:

<b>Financial liabilities</b>			<b>January 31, 2026</b>	<b>January 31, 2025</b>
			\$	\$
Accounts payable and accrued liabilities	Amortized cost		328,686	168,343
Short term loan	Amortized cost		1,000,000	1,000,000
			<b>1,328,686</b>	<b>1,168,343</b>

Investment valuations are affected by various factors including financial position, results from operations and foreseeable future cash flows from operations of investees. Investees have a limited history of operations and there is no certainty that their strategic objectives and goals will be achieved, and there is no guarantee that shareholders' value will increase or be sustained even if these strategic objectives and goals are achieved.

Management recognizes and monitors the performance of investees and makes appropriate adjustments to the assumptions and valuation model, if necessary. Investment valuations are susceptible to high volatilities and actual fair values may significantly differ from management's estimates.

### **Investments and risk management**

The Company considers Level 3, as the fair value techniques used the lowest level of input which was unobservable. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Investment valuations are affected by various factors including financial position, results from operations and foreseeable future cash flows from operations of investees. Investees have a limited history of operations and there is no certainty that their strategic objectives and goals will be achieved, and there is no guarantee that shareholders' value will increase or be sustained even if these strategic objectives and goals are achieved. Management recognizes and monitors the performance of investees and makes appropriate adjustments to the assumptions and valuation model, if necessary. Investment valuations are susceptible to high volatilities and actual fair values may significantly differ from management's estimates.

Refer to Note 3 of the financial statements for the year ended January 31, 2026, under financial instruments for the summary of the classification of the Company's financial instruments under IFRS 9.

### **Capital and risk management**

The Company's objective and policies for managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes changes based on economic conditions, risks that impact on the operations and future significant capital investment opportunities. In order to maintain or adjust its capital structure, the Company may issue new equity instruments or raise additional debt financing.

The Company is exposed to a variety of financial risks by virtue of its activities: market risk, interest rate risk, liquidity risk, and foreign currency risk. The Board of Directors has overall responsibility for the determination of the Company's capital and risk management objectives and policies while retaining ultimate responsibility for them. The Company's overall capital and risk management program has not changed throughout the period. It focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. The finance department identifies and evaluates financial risks in close cooperation with management.

### **Credit risk**

Financial instruments that subject the Company to credit risk consist primarily of other receivables and the OQP Bio bonds. The Company's exposure to credit risk, including for other receivable amounts, is considered to be significant which is assessed through an expected credit loss model ("ECL"). The Company's estimate of allowances is based on an ECL approach that employs an analysis of historical data, economic indicators and experience of delinquency and default. The Company has applied an ECL of 52.5% to the other receivable.

### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to market interest rate risk.

## Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on external financing or key management to provide sufficient liquidity to meet budgeted operating requirements. The following tables set forth details of the payment profile of financial liabilities based on their undiscounted cash flows:

January 31, 2026	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
	\$	\$	\$	\$	\$
Accounts payables and accrued liabilities	328,686	328,686	328,686	—	—
Short term loan	1,000,000	1,000,000	1,000,000	—	—
<b>Total</b>	<b>1,328,686</b>	<b>1,328,686</b>	<b>1,328,686</b>	<b>—</b>	<b>—</b>

January 31, 2025	Total carrying amount	Contractual cash flows	Less than 1 year	1 to 5 years	More than 5 years
	\$	\$	\$	\$	\$
Accounts payables and accrued liabilities	168,343	168,343	168,343	—	—
Short term loan	1,000,000	1,000,000	1,000,000	—	—
<b>Total</b>	<b>1,168,343</b>	<b>1,168,343</b>	<b>1,168,343</b>	<b>—</b>	<b>—</b>

Taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is actively seeking new financing opportunities in accordance with its capital risk management strategy.

## Foreign currency risk

Foreign currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company maintains financial instruments and enters transactions denominated in foreign currencies, which exposes the Company to fluctuating balances and cash flows due to variations in foreign exchange rates.

The table below indicates the foreign currencies to which the Company has significant exposure in Canadian dollar terms:

	January 31, 2026	January 31, 2025
	\$	\$
Cash	—	4,212
Investments in OQP Bio bonds and Shares	19,756,449	17,037,779
<b>Net monetary assets</b>	<b>19,756,449</b>	<b>17,041,991</b>

Rate fluctuation

A fluctuation of +/- 5.0% in the exchange rate between CAD and USD

A fluctuation of +/- 5.0% in the exchange rate between CAD and KRW

5%

-

**987,822**

## **Management's Report on Disclosure Controls and Procedures and Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as those terms are defined in the National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, for the Company. The DC&P provides reasonable assurance that material information relating to the Company is made known to the Chief Executive Officer and the Chief Financial Officer of the Company. The ICFR has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

Management restated its 2023 annual financial statements to change the valuation methodology used to value Quest's OQP Bio bonds to present a more reasonable and appropriate fair value. The change in valuation methodology resulted in a decrease in bond value for Quest's OQP Bio bonds held at January 31, 2023 from \$76.4 million to \$18.8 million. The Company's internal controls over financial reporting ("ICFR") are designed to provide reasonable assurance regarding the reliability of financial reporting in accordance with International Financial Reporting Standards. Management has concluded that material weaknesses existed with respect to certain internal controls and noted that they were not operating effectively as at January 31, 2026. A material weakness is a deficiency, or a combination of deficiencies, in ICFR where there is a possibility that a material misstatement of the financial statements may not be prevented or detected on a timely basis.

Weaknesses identified:

- The estimation and calculation of complex financial instruments.

Remediation plans:

- The Company plans to evaluate and hire a Certified Business Valuator (CBV) Professional Firm to perform complex valuation and business modeling on a regular basis.

Notwithstanding the foregoing, the Company has concluded that the audited annual financial statements accompanying this report are presented fairly in all material respects. The Company is committed to improving its ICFR through continuous monitoring and review.

Due to inherent limitations in all controls systems, a control system can provide only reasonable, not absolute assurance, that the objective of the control system is met and may not prevent or detect misstatements or instances of fraud. Management's estimates may be incorrect, or assumptions about future events may be incorrect, resulting in varying results. Additionally, controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people or by Management override.