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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

or

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

For the transition period from _____ to _____

Commission File Number: 001-42806

PROPANC BIOPHARMA, INC.
(Exact name of registrant as specified in its charter)

Delaware	**33-0662986**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

302, 6 Butler Street
Camberwell, VIC, 3124 Australia
(Address of principal executive offices) (Zip Code)

+61-03- 9882-0780
(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 Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 (Section 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, 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 checkmark 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 12, 2026, there were 1,048,247 shares of the registrant's common stock, $0.001 par value per share, issued and outstanding.

PROPANC BIOPHARMA INC.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements.

The following unaudited interim condensed consolidated financial statements of Propanc Biopharma, Inc. are included in this Quarterly Report on Form 10-Q:

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PROPANC BIOPHARMA, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2026 (Unaudited)	June 30, 2026
ASSETS		
CURRENT ASSETS:		
Cash	$ 258,366	$ 832,006
GST tax receivable	12,359	13,694
Prepaid expenses - current portion	7,674,443	7,661,967
Other current assets	52,926	34,923
TOTAL CURRENT ASSETS	7,998,094	8,542,590
Prepaid expenses - long-term portion	2,287,540	4,190,543
Security deposit - related party	2,085	2,074
Operating lease right-of-use assets, net - related party	34,986	40,790
Property and equipment, net	4,030	3,915
TOTAL ASSETS	$ 10,326,735	$ 12,779,912
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 1,162,623	$ 1,131,429
Accrued expenses and other payables	797,031	855,350
Accrued interest	118,927	128,318
Loans payable - related parties, net of discount	364,801	460,809
Operating lease liability - related party, current portion	25,731	24,489
Employee benefit liability	770,910	754,038
TOTAL CURRENT LIABILITIES	3,240,023	3,354,433
NON-CURRENT LIABILITIES:		
Operating lease liability - long-term portion - related party	17,010	23,818
TOTAL NON-CURRENT LIABILITIES	17,010	23,818
TOTAL LIABILITIES	$ 3,257,033	$ 3,378,251
Commitments and Contingencies (See Note 6)		
STOCKHOLDERS' EQUITY:		
Preferred stock, 1,500,005 shares authorized, $0.01 par value:		
Series A preferred stock, $0.01 par value; 500,000 shares previously authorized; 0 shares issued and outstanding as of September 30, 2026 and June 30, 2026	$ -	$ -
Series B preferred stock, $0.01 par value; 5 shares authorized; 1 share issued and outstanding as of September 30, 2026 and June 30, 2026	-	-
Series C preferred stock, $0.01 par value, $10,000 stated value; 9,900 shares designated and authorized, 150 (liquidation value of $1,500,000) and 200 (liquidation value of $2,000,000) shares issued and outstanding at September 30, 2026 and June 30, 2026, respectively	2	2
Common stock, $0.001 par value; 10,000,000,000 shares authorized; 983,260 and 331,083 shares issued and outstanding as of September 30, 2026 and June 30, 2026, respectively	983	331
Common stock issuable (65,003 and 48,793 shares as of September 30, 2026 and June 30, 2026, respectively)	65	49
Additional paid-in capital	159,550,063	152,755,731
Accumulated other comprehensive income	1,136,679	1,176,255
Accumulated deficit	(153,072,389)	(144,484,230)
Treasury stock ($0.001 share)	(545,701)	(46,477)
TOTAL STOCKHOLDERS' EQUITY	7,069,702	9,401,661
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 10,326,735	$ 12,779,912

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

PROPANC BIOPHARMA, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	For the three months ended September 30,	
	2026	**2025**
REVENUE		
Revenue	$ -	$ -
OPERATING EXPENSES		
Administration expenses	182,728	137,341
Compensation and related taxes	2,244,382	110,002
Professional and consulting expenses	5,678,233	4,351,231
Occupancy expenses - related party	9,523	14,789
Research and development	457,677	60,201
TOTAL OPERATING EXPENSES	8,572,543	4,673,564
LOSS FROM OPERATIONS	(8,572,543)	(4,673,564)
OTHER INCOME (EXPENSE)		
Interest expense	(18,244)	(305,649)
Interest income	31	19
Change in fair value of derivative liabilities	-	(19,706)
Other income	4,024	-
Settlement expense	(20,000)	-
Gain on extinguishment of debt, net	-	195,861
Foreign currency transaction gain (loss)	18,573	(34,699)
TOTAL OTHER EXPENSE, NET	(15,616)	(164,174)
LOSS BEFORE TAXES	(8,588,159)	(4,837,738)
Tax benefit	-	-
NET LOSS	$ (8,588,159)	$ (4,837,738)
BASIC AND DILUTED NET LOSS PER SHARE	$ (12.22)	$ (98.08)
BASIC AND DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING	702,966	49,326
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	$ (8,588,159)	$ (4,837,738)
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized foreign currency translation gain (loss)	(39,576)	17,044
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	(39,576)	17,044
TOTAL COMPREHENSIVE LOSS	$ (8,627,735)	$ (4,820,694)

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

PROPANC BIOPHARMA, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(Unaudited)

	Preferred Stock						Common Stock		Common Stock Issuable						
	Series A		Series B		Series C										
	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
Balance at June 30, 2025	**-**	**$ -**	**1**	**$ -**	**-**	**$ -**	**46,447**	**$ 46**	**31**	**$ -**	**$138,255,226**	**$(125,621,520)**	**$ 1,318,917**	**$ (46,477)**	**$ 13,906,192**
Issuance of common stock for conversion of convertible debt, conversion fee and accrued interest	-	-	-	-	-	-	780	1	-	-	438,063	-	-	-	438,064
Issuance of common stock for cash	-	-	-	-	-	-	4,000	4	-	-	3,314,454	-	-	-	3,314,458
Common stock issuable for services and prepaid services	-	-	-	-	-	-	-	-	2,044	2	1,408,746	-	-	-	1,408,748
Reclassification of put premium upon debt conversion and repayment	-	-	-	-	-	-	-	-	-	-	114,399	-	-	-	114,399
Foreign currency translation gain	-	-	-	-	-	-	-	-	-	-	-	-	17,044	-	17,044
Net loss for the three months ended September 30, 2025	-	-	-	-	-	-	-	-	-	-	-	(4,837,738)	-	-	(4,837,738)
Balance at September 30, 2025	**-**	**$ -**	**1**	**$ -**	**-**	**$ -**	**51,227**	**$ 51**	**2,075**	**$ 2**	**$143,530,888**	**$(130,459,258)**	**$ 1,335,961**	**$ (46,477)**	**$ 14,361,167**

	Preferred Stock						Common Stock		Common Stock Issuable						
	Series A		Series B		Series C										
	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	No. of Shares	Value	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
Balance at June 30, 2026	**-**	**$ -**	**1**	**$ -**	**200**	**$ 2**	**331,083**	**$ 331**	**48,794**	**$ 49**	**$152,755,731**	**$(144,484,230)**	**$ 1,176,255**	**$ (46,477)**	**$ 9,401,661**
Issuance of common stock for common stock issuable	-	-	-	-	-	-	48,763	49	(48,763)	(49)	-	-	-	-	-
Issuance of common stock for conversion of Series C preferred stock	-	-	-	-	(250)	(2)	253,266	253	64,972	65	(316)	-	-	-	-
Common stock issued for services	-	-	-	-	-	-	350,000	350	-	-	4,794,650	-	-	-	4,795,000

Issuance of Series C Preferred stock upon exercise of Series C warrants	-	-	-	-	200	2	-	-	-	-	1,999,998	-	-	-	2,000,000
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	(499,224)	(499,224)
Fractional shares due to reverse split	-	-	-	-	-	-	148	-	-	-	-	-	-	-	-
Foreign currency translation loss	-	-	-	-	-	-	-	-	-	-	-	-	(39,576)	-	(39,576)
Net loss for the three months ended September 30, 2026	-	-	-	-	-	-	-	-	-	-	-	(8,588,159)	-	-	(8,588,159)
Balance at September 30, 2026	**-**	**$ -**	**1**	**$ -**	**150**	**$ 2**	**983,260**	**$ 983**	**65,003**	**$ 65**	**$159,550,063**	**$(153,072,389)**	**$ 1,136,679**	**$(545,701)**	**$ 7,069,702**

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

PROPANC BIOPHARMA, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the three months ended September 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (8,588,159)	$ (4,837,738)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Issuance of common stock for services	4,795,000	726,248
Amortization of prepaid stock based expenses	1,931,989	3,024,605
Foreign currency transaction loss (gain)	(18,573)	34,699
Depreciation expense	354	125
Amortization of debt discounts	644	150,902
Amortization of right-of-use assets	6,023	3,577
Change in fair value of derivative liabilities	-	19,706
Gain on extinguishment of debt, net	-	(195,861)
Non-cash interest expense	-	4,906
Accretion of put premium	-	37,450
Changes in Assets and Liabilities:		
GST receivable	1,409	(3,043)
Prepaid expenses	(41,462)	(362,329)
Other current assets	(17,817)	(7,438)
Accounts payable	24,850	(186,804)
Employee benefit liability	12,835	13,982
Accrued expenses and other payables	(62,127)	(361,479)
Accrued interest	(9,391)	(3,298)
Operating lease liability	(5,825)	2,723
NET CASH USED IN OPERATING ACTIVITIES	(1,970,250)	(1,939,067)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	-	(2,491)
NET CASH USED IN INVESTING ACTIVITIES	-	(2,491)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from convertible promissory notes, net of original issue discounts and issue costs	-	100,000
Proceeds from exercise of Series C warrants	2,000,000	-
Repayment of convertible notes	-	(203,350)
Repayment of notes	-	(671,777)
Repayment of loans payable - related party	(96,652)	(150,808)
Purchase of treasury shares	(499,224)	-
Proceeds from the sale of common stock, net of offering costs	-	3,314,458
Proceeds from note payable	-	75,000
Proceeds from loans payable - related parties	-	78,249
Deferred offering costs	-	(15,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,404,124	2,526,772
Effect of exchange rate changes on cash	(7,514)	5,435
NET INCREASE (DECREASE) IN CASH	(573,640)	590,649
CASH AT BEGINNING OF PERIOD	832,006	12,088
CASH AT END OF PERIOD	$ 258,366	$ 602,737
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period:		
Interest	$ 26,991	$ 115,691
Income Tax	$ -	$ -
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
Reduction of put premium related to conversions of convertible notes	$ -	$ 114,399
Conversion of convertible notes and accrued interest to common stock	$ -	$ 335,850
Deferred offering cost charged to additional paid in capital upon closing of offering	$ -	$ 281,773
Issuance of common stock and common stock issuable for prepaid services (net of amortized portion)	$ -	$ 682,500

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

PROPANC BIOPHARMA, INC. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2026
(Unaudited)

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Nature of Operations

Propanc Biopharma, Inc. (the "Company," "we," "us" or "our") is based in Camberwell, Victoria Australia. Since its inception, substantially all of the operations of the Company have been focused on the development of new cancer treatments targeting high-risk patients, particularly cancer survivors, who need a follow-up, non-toxic, long-term therapy designed to prevent the cancer from returning and spreading. The Company anticipates establishing global markets for its technologies. Our lead product candidate, which we refer to as PRP, is an enhanced pro-enzyme formulation designed to enhance the anti-cancer effects of multiple enzymes acting synergistically. It is currently in the preclinical phase of development.

The Company was originally formed in Melbourne, Victoria, Australia on October 15, 2007 as Propanc PTY LTD. On November 23, 2010, Propanc Health Group Corporation was incorporated in the State of Delaware, and in January 2011, to reorganize the Company, all of the outstanding shares of Propanc PTY LTD were acquired on a one-for-one basis by Propanc Health Group Corporation, with Propanc PTY LTD becoming a wholly-owned subsidiary of the Company.

On July 22, 2016, the Company formed another wholly-owned subsidiary, Propanc (UK) Limited under the laws of England and Wales for the purpose of submitting an orphan drug application to the European Medicines Agency as a small and medium-sized enterprise. As of September 30, 2026, there has been no activity within this entity.

Effective April 20, 2017, the Company changed its name to "Propanc Biopharma, Inc." to reflect the Company's stage of operations and development better.

In July 2020, a world-first patent was granted in Australia for the cancer treatment method patent family. Presently, there are 85 granted, allowed, or accepted patents and 5 provisional patents filed, or under examination in key global jurisdictions relating to the use of proenzymes against solid tumors, covering the lead product candidate PRP.

The Company hopes to capture and protect additional patentable subject matter based on the Company's field of technology relating to pharmaceutical compositions of proenzymes for treating cancer by filing additional patent applications as it advances its lead product candidate, PRP, through various stages of development.

In March 2026, the Company received written consent in lieu of a meeting by the holders of a majority of the voting power of the Company's outstanding capital stock as of March 2026 and the Company's Board of Directors approving such actions as are necessary for the Company to proceed to effectuate and execute a reverse stock split of the Company's issued and outstanding shares of common stock at a ratio of one post-split share per twenty-five pre-split shares (1:25). The reverse stock split became effective as of May 18, 2026. Proportional adjustments for the reverse stock split were made to the Company's outstanding stock options, warrants and equity incentive plans. All share and per-share data and amounts have been retroactively adjusted as of the earliest period presented in the consolidated financial statements to reflect the reverse stock split.

In October 2026, the Company received written consent in lieu of a meeting by the holders of a majority of the voting power of the Company's outstanding capital stock as of October 2026 and the Company's Board of Directors approving such actions as are necessary for the Company to proceed to effectuate and execute a reverse stock split of the Company's issued and outstanding shares of common stock at a ratio of one post-split share per ten pre-split shares (1:10) (the "Reverse Stock Split"). The Reverse Stock Split became effective as of October 26, 2026. Proportional adjustments for the Reverse Stock Split were made to the Company's outstanding stock options, warrants and equity incentive plans. All share and per-share data and amounts have been retroactively adjusted as of the earliest period presented in the consolidated financial statements to reflect the Reverse Stock Split.

Basis of Presentation

The Company's interim unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q (this "Quarterly Report") have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). In the opinion of the Company's management, all adjustments (consisting of normal recurring adjustments and reclassifications and non-recurring adjustments) necessary to present fairly our consolidated results of operations for the three months ended September 30, 2026 and 2025 and cash flows for the three months ended September 30, 2026 and 2025 and our consolidated financial position at September 30, 2026 have been made. The Company's results of operations for the three months ended September 30, 2026 are not necessarily indicative of the operating results to be expected for the full fiscal year ending June 30, 2027.

Certain information and disclosures normally included in the notes to the Company's annual audited consolidated financial statements have been condensed or omitted from the Company's interim unaudited condensed consolidated financial statements included in this Quarterly Report. Accordingly, these interim unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended June 30, 2026. The June 30, 2026 balance sheet is derived from those statements.

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Propanc Biopharma, Inc., the parent entity, and its wholly-owned subsidiary, Propanc PTY LTD. All inter-company balances and transactions have been eliminated in consolidation. Propanc (UK) Limited was an inactive wholly-owned subsidiary through September 30, 2026 and still remains inactive.

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates in the accompanying consolidated financial statements include the estimates of useful lives of long-lived assets, valuation of the collectability of a refundable advance deposit, present value of the operating lease liability and related right-of-use asset, valuation of derivatives, valuation of convertible preferred stock, valuation of warrant liability, valuation of equity based instruments issued for other than cash, the valuation allowance on deferred tax assets and foreign currency translation due to certain average exchange rates applied in lieu of spot rates on transaction dates.

Foreign Currency Translation and Other Comprehensive Income (Loss)

The Company's wholly-owned subsidiary's functional currency is the Australian dollar (AUD). For financial reporting purposes, the Australian dollar has been translated into the Company's reporting currency, which is the United States dollar ($) and/or (USD). Assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at the average rate of exchange prevailing during the reporting period. Equity transactions are translated at each historical transaction date spot rate. Translation adjustments arising from the use of different exchange rates from period to period are included as a component of stockholders' equity (deficit) as "Accumulated other comprehensive income (loss)." Gains and losses resulting from foreign currency translations are included in the statements of operations and comprehensive income (loss) as a component of other comprehensive income (loss). There have been no significant fluctuations in the exchange rate for the conversion of Australian dollars to USD after the balance sheet date.

Other Comprehensive Income (Loss) for all periods presented includes only foreign currency translation gains (losses).

Assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the consolidated balance sheet date with any transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency included in the consolidated results of operations as incurred. Effective fiscal year 2021, the parent company determined that the intercompany loans will not be repaid in the foreseeable future and thus, per Accounting Standards Codification ("ASC") 830-20-35-3, gains and losses from measuring the intercompany balances are recorded within cumulative translation adjustment, a component of accumulated other comprehensive income (loss). As of September 30, 2026 and 2025, the Company recognized a cumulative exchange gain (loss) of approximately $91,000 and $191,000, respectively, on intercompany loans made by the parent to the subsidiary that have not been repaid as of September 30, 2026, which is included as a component of accumulated other comprehensive income on the accompanying condensed consolidated balance sheets.

As of September 30, 2026 and June 30, 2026, the exchange rates used to translate amounts in Australian dollars into USD for the purposes of preparing the consolidated financial statements were as follows:

	September 30, 2026	June 30, 2026
Exchange rate on balance sheet dates		
USD : AUD exchange rate	0.6949	0.6912
Average exchange rate for the period		
USD : AUD exchange rate	0.7063	0.6771

The change in Accumulated Other Comprehensive Income (Loss) by component during the three months ended September 30, 2026 was as follows:

	Foreign Currency Items:
Balance, June 30, 2026	$ 1,176,255
Unrealized foreign currency translation loss	(39,576)
Ending balance, September 30, 2026	$ 1,136,679

Fair Value of Financial Instruments and Fair Value Measurements

The Company measures its financial assets and liabilities in accordance with US GAAP. For certain financial instruments, including cash and cash equivalents, receivables, accounts payable and accrued liabilities, the carrying amounts approximate fair value due to their short maturities. Amounts recorded for notes payable, net of discount, and loans payable also approximate fair value because current interest rates available for debt with similar terms and maturities are substantially the same.

The Company follows accounting guidance for financial assets and liabilities. This standard defines fair value, provides guidance for measuring fair value and requires certain disclosures. This standard does not require any new fair value measurements but rather applies to all other accounting pronouncements that require or permit fair value measurements. This guidance does not apply to measurements related to share-based payments. This guidance discusses valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost).

The guidance utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs, other than quoted prices that are observable, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs in which little or no market data exists, therefore developed using estimates and assumptions developed by us, which reflect those that a market participant would use.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less with financial institutions, and bank overdrafts. Bank overdrafts are reflected as a current liability on the balance sheets. There were no cash equivalents as of September 30, 2026 or June 30, 2026.

Prepaid expenses

Prepaid expenses – current portion and long-term portion of $7,674,443 and $2,287,540, respectively, at September 30, 2026, consist primarily of costs paid for future services which will occur between 1 month to three years. Prepaid expenses – current portion and long-term portion of $7,661,967 and $4,190,543, respectively, at June 30, 2026, consist primarily of costs paid for future services which will occur between 6 months to three years. Prepaid expenses principally include prepayments in fully vested, non-forfeitable equity instruments for general consulting, investor relations, and business advisory services, which are being amortized over the terms of their respective agreements.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Expenditures for maintenance and repairs are expensed as incurred; additions, renewals, and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight line method. The depreciable amount is the cost less its residual value.

The estimated useful lives are as follows:

Machinery and equipment	- 5 years
Furniture	- 7 years

Patents

Patents are stated at cost and amortized on a straight-line basis over the estimated future periods if and once the patent has been granted by a regulatory agency. However, the Company will expense any patent costs as long as we are in the startup stage. Accordingly, as the Company's products are not currently approved for market, all patent costs incurred from 2013 through September 30, 2026 were expensed immediately. This practice of expensing patent costs immediately ends when a product receives market authorization from a government regulatory agency.

Impairment of Long-Lived Assets

In accordance with ASC 360-10, "Long-lived assets," which include property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable.

Employee Benefit/Liability

Liabilities arising in respect of wages and salaries, accumulated annual leave, accumulated long service leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured based on the employee's remuneration rates applicable at the reporting date. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. All employee liabilities are owed within the next twelve months.

Australian Goods and Services Tax ("GST")

Revenues, expenses and balance sheet items are recognized net of the amount of GST, except payable and receivable balances which are shown inclusive of GST. The GST incurred is payable on revenues to, and recoverable on purchases from, the Australian Taxation Office.

Cash flows are presented in the statements of cash flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

As of September 30, 2026 and June 30, 2026, the Company was owed $12,359 and $13,694, respectively, from the Australian Taxation Office. These amounts were fully collected subsequent to the balance sheet reporting dates.

Derivative Instruments

ASC Topic 815, *Derivatives and Hedging* ("ASC Topic 815"), establishes accounting and reporting standards for derivative instruments and for hedging activities by requiring that all derivatives be recognized in the balance sheet and measured at fair value. Gains or losses resulting from changes in the fair value of derivatives are recognized in earnings. On the date of conversion or payoff of debt, the Company records the fair value of the conversion shares, removes the fair value of the related derivative liability, removes any discounts and records a net gain or loss on debt extinguishment.

Convertible Notes With Variable Conversion Options

The Company has entered into convertible notes, some of which contain variable conversion options, whereby the outstanding principal and accrued interest may be converted, by the holder, into shares of the Company's common stock, par value $0.001 per share ("common stock") at a fixed discount to the price of the common stock at or around the time of conversion. The Company treats these convertible notes as stock settled debt under ASC 480, "*Distinguishing Liabilities from Equity*" and measures the fair value of the notes at the time of issuance, which is the result of the share price discount at the time of conversion and records the put premium as interest expense.

Warrant Liability

The Company accounted for the Series C warrants issued in November 2025, in accordance with the guidance contained in ASC 815 "Derivatives and Hedging" whereby under that provision these warrants do not meet the criteria for equity treatment and must be recorded as a liability. Accordingly, the Company classified these warrant instruments as liabilities at fair value and adjusted the instruments to fair value at each reporting period. This liability was re-measured at each balance sheet date until the warrants were exercised or expire, and any change in fair value were recognized in the Company's statement of operations. The fair value of these warrants was estimated using a Monte Carlo simulation model. Such warrant classification was also subject to re-evaluation at each reporting period (see Note 5).

Series C Preferred Stock Subject to Possible Redemption

The Company accounted for its Series C Convertible Preferred Stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity." Conditionally redeemable Series C Preferred stock that featured mandatory redemption rights not solely within the Company's control was classified as temporary equity. The Company's Series C Preferred stock features certain redemption rights that were considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, Series C preferred stock subject to possible redemption was presented at redemption value as temporary equity, outside of the stockholders' equity section of the Company's consolidated balance sheets (see Note 5).

Income Taxes

The Company is governed by Australia and United States income tax laws, which are administered by the Australian Taxation Office and the United States Internal Revenue Service, respectively. The Company follows ASC 740 "*Accounting for Income Taxes*," when accounting for income taxes, which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually for temporary differences between the financial statements and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The Company follows ASC 740, Sections 25 through 60, "*Accounting for Uncertainty in Income Taxes*." These sections provide detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized upon the adoption of ASC 740 and in subsequent periods.

Research and Development Costs and Tax Credits

In accordance with ASC 730-10, *"Research and Development-Overall,"* research and development costs are expensed when incurred. Total research and development costs for the three months ended September 30, 2026 and 2025 were $457,677 and $60,201, respectively.

The Company may apply for research and development tax concessions with the Australian Taxation Office on an annual basis. Although the amount is possible to estimate at year end, the Australian Taxation Office may reject or materially alter the claim amount. Accordingly, the Company does not recognize the benefit of the claim amount until cash receipt since collectability is not certain until such time. The tax concession is a refundable credit. If the Company has net income, then the Company can receive the credit which reduces its income tax liability. If the Company has net losses, then the Company may still receive a cash payment for the credit, however, the Company's net operating loss carryforwards are reduced by the gross equivalent loss that would produce the credit amount when the income tax rate is applied to that gross amount. The concession is recognized as a tax benefit, in operations, upon receipt.

Stock Based Compensation

The Company records stock-based compensation in accordance with ASC 718, "*Stock Compensation*". ASC 718 requires the fair value of all stock-based employee compensation awarded to employees to be recorded as an expense over the shorter of the service period or the vesting period. The Company values employee and non-employee stock-based compensation at fair value using the Black-Scholes Option Pricing Model.

The Company adopted ASU 2018-07 and accounts for non-employee share-based awards in accordance with the measurement and recognition criteria of ASC 718 and recognizes the fair value of such awards over the service period. The Company used the modified prospective method of adoption.

Revenue Recognition

The Company applies ASC Topic 606, Revenue from Contracts with Customers ("ASC 606"). ASC 606 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most of the existing revenue recognition guidance. This standard requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services and also requires certain additional disclosures. Subject to these criteria, the Company intends to recognize revenue relating to royalties on product sales in the period in which the sale occurs and the royalty term has begun.

Legal Expenses

All legal costs for litigation are charged to expense as incurred.

Leases

The Company follows ASC Topic 842, Leases (Topic 842) and applies the package of practical expedients, which permit it not to reassess under the new standard its prior conclusions about lease identification, lease classification and initial direct costs. In addition, the Company elected not to apply ASC Topic 842 to arrangements with lease terms of 12 months or less. Operating lease right of use assets ("ROU") represents the right to use the leased asset for the lease term and operating lease liabilities are recognized based on the present value of future minimum lease payments over the lease term at commencement date. As most leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at the adoption date in determining the present value of future payments. Lease expense for minimum lease payments is amortized on a straight-line basis over the lease term and is included in general and administrative expenses.

Basic and Diluted Net Loss Per Common Share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding for the period and, if dilutive, potential common shares outstanding during the period. Potentially dilutive securities consist of the incremental common shares issuable upon exercise of common stock equivalents such as stock options, warrants and convertible debt instruments. Potentially dilutive securities are excluded from the computation if their effect is anti-dilutive. As a result, the basic and diluted per share amounts for all periods presented are identical. The Company's CEO holds Series B Preferred Stock that, when combined, confers upon him a majority vote, including regarding authorization of additional common shares and/or the authorization of a reverse split the stock as considered necessary. Such securities are considered dilutive securities which were excluded from the computation since the effect is anti-dilutive.

	September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)
Stock Warrants with no designations	120	121
Series C Preferred Stock Warrants	23,459,532	-
Convertible Series C Preferred stock	374,354	-
Convertible Debt	-	514
Total	23,834,006	635

Segment Reporting

The Company uses "the management approach" in determining reportable operating segments. Operating segments are defined as components of an entity where discrete financial information is evaluated regularly by the chief operating decision maker ("CODM"). The management approach considers the internal organization and reporting used by the Company's CODM for making operating decisions and assessing performance as the source for determining the Company's reportable segments. All activities are related to the development of cancer treatment and the Company has not commenced commercial operations or generated revenues to date. All activities are related to the development of the cancer treatment and the Company has not commenced commercial operations or generated revenues to date. The CODM is the chief executive officer of the Company, who reviews operating results and utilizes consolidated financial information, including operating expenses, operating loss, and net loss as reported on the consolidated statements of operations, to make decisions about operating decisions, allocate resources and assess performance for the entire Company. Consolidated net loss is our segment's primary measure of loss. The measure of segment assets is reported on the consolidated balance sheets as total consolidated assets. The single segment constitutes all the consolidated entity, and the accompanying consolidated financial statements and the notes to the accompanying consolidated financial statements are representative of such amounts. For the three months ended September 30, 2026 and 2025, the Company operates in one operating segment.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. The reclassified amounts have no impact on the Company's previously reported financial position or results of operations or cash flows and relates to the presentation of $110,002 compensation and related taxes and $4,351,231 professional and consulting expenses being reclassified out of administration expenses and shown separately on the consolidated statements of operations for the three months ended September 30, 2025.

Recent Accounting Pronouncements

We have reviewed the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. We have carefully considered the new pronouncements that alter previous generally accepted accounting principles and do not believe that any new or modified principles will have a material impact on the Company's reported financial position or operations in the near term with the exception of those disclosed below. The applicability of any standard is subject to formal review of the Company's financial management.

On November 4, 2024 the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses (DISE) requiring additional disclosure of the nature of expenses included in the income statement in response to longstanding requests from investors for more information about an entity's expenses. This standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. ASU 2024-03 applies to all public business entities (PBEs) and is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. Management does not believe the adoption of ASU 2024-03 will have a material impact on the consolidated financial statements and disclosures.

On December 8, 2025, the FASB issued ASU 2025-11 – Interim Reporting ("ASU 2025-11") which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and content of such financial statements, interim disclosures requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027 and early adoption is permitted. The Company is currently evaluating the impact the adoption of ASU 2025-11 may have on the Company's consolidated financial statements.

On December 17, 2025, the FASB issued ASU 2025-12, Codification Improvements. The amendments in this update are to make other incremental improvements to GAAP and facilitate codification updates for a broad range of Topics arising from technical corrections, unintended application of the codification, clarifications, and other minor improvements. The resulting amendments are collectively referred to as Codification improvements. ASU 2025-12 is effective for all entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. Management does not believe the adoption of ASU 2025-12 will have a material impact on the consolidated financial statements and disclosures.

NOTE 2 – GOING CONCERN

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with US GAAP, which contemplate continuation of the Company as a going concern. For the three months ended September 30, 2026, the Company had no revenues, had a net loss of $8,588,159, and had net cash used in operations of $1,970,250. Additionally, as of September 30, 2026, the Company had accumulated deficit of $153,072,389. It is management's opinion that these conditions raise substantial doubt about the Company's ability to continue as a going concern for a period of at least twelve months from the issue date of this Quarterly Report.

The unaudited condensed consolidated financial statements do not include any adjustments to reflect the possible future effect on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.

In August 2026, the Company received proceeds of $2,000,000 from the exercise of Series C warrants (see Note 5).

Successful completion of the Company's development program and, ultimately, the attainment of profitable operations are dependent upon future events, including obtaining adequate financing to fulfill its development activities, acceptance of the Company's patent applications, obtaining additional sources of suitable and adequate financing and ultimately achieving a level of sales adequate to support the Company's cost structure and business plan. The Company's ability to continue as a going concern is also dependent on its ability to further develop and execute on its business plan. However, there can be no assurances that any or all of these endeavors will be successful.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of September 30, 2026 and June 30, 2026.

	September 30, 2026 (Unaudited)	June 30, 2026
Office equipment at cost	$ 31,922	$ 31,312
Less: Accumulated depreciation	(27,892)	(27,397)
Total property, plant, and equipment	$ 4,030	$ 3,915

Depreciation expense for the three months ended September 30, 2026 and 2025 was $354 and $125, respectively.

NOTE 4 – LOANS

Loans payable - Related Party

Between November 2023 and May 2024, an institutional investor affiliated with one of our directors, Josef Zelinger, loaned the Company an aggregate of $71,629. Additionally, in August 2024, the same affiliated institutional investor loaned the Company an amount of $85,000 AUD ($57,639 USD). These loans were payable on demand and were non-interest bearing. In September 2025, the Company agreed to pay interest of 12% per annum beginning from the funding date of these loans. The Company repaid $16,428 USD including additional interest expense of $4,805 USD on February 12, 2026. The Company repaid $16,188 USD including interest expense of $4,793 USD on April 28, 2026. Additionally, the Company repaid the remaining principal balance of $96,652 USD and accrued interest of $26,991 USD on September 3, 2026.

Effective August 1, 2024, the Company entered and closed a loan agreement with an institutional investor affiliated with one of our directors, Josef Zelinger, pursuant to which the investor loaned the Company an aggregate principal amount of $150,000 AUD ($98,060 USD). The Company used the net proceeds for general working capital purposes. The maturity date of the loan is November 1, 2024, or sooner at the discretion of the Company, and the loan bears an interest rate of 12% per annum and default interest rate of 18% per annum. The Company has the right to prepay in full at any time with no prepayment penalty. By mutual consent the amount can be repaid via the issuance of common stock of the Company (upon uplisting on NASDAQ) and the strike price shall be at a 35% discount to lowest daily balance of the five preceding trading days. Such loan is past due and currently in default.

Between November 2024 and December 2024, an institutional investor affiliated with one of our directors, Josef Zelinger, loaned the Company an aggregate of $15,000 AUD ($9,731 USD). These loans were payable on demand and were non-interest bearing. The Company repaid $12,000 AUD ($7,774 USD) of this loan including interest expense of $653 on August 19, 2025. In September 2025, the Company agreed to pay interest of 12% per annum beginning from the funding date of these loans. The Company repaid the remaining balance of $3,000 AUD ($1,957 USD) including additional interest expense of $319 USD on February 12, 2026.

Effective December 3, 2024, the Company entered and closed a loan agreement with an institutional investor affiliated with one of our directors, Josef Zelinger, pursuant to which the investor loaned the Company an aggregate principal amount of $175,000 AUD ($113,485 USD). The Company used the net proceeds for general working capital purposes. The term of the loan is four months or less (to be determined at the discretion of the Company), with $70,000 AUD was due on February 28, 2025, and $105,000 AUD was due on April 2, 2025. The loan bears an interest rate of 12% per annum and default interest rate of 18% per annum. Such loan is past due and currently in default.

In January 2025, an institutional investor affiliated with one of our directors, Josef Zelinger, loaned the Company an aggregate of $25,000 AUD ($15,485 USD). This loan bore no interest and was payable on demand. The Company fully repaid $25,000 AUD ($15,485 USD) including additional interest expense of $1,169 on August 19, 2025.

On April 12, 2025, the Company entered into and closed a loan agreement with an institutional investor affiliated with one of our directors, Josef Zelinger, pursuant to which the investor loaned the Company an aggregate principal amount of $63,188 AUD ($39,625 USD). The Company used the net proceeds for general working capital purposes. The maturity date was on June 30, 2025. The loan bore an interest rate of 12% per annum and default interest rate of 18% per annum. The Company fully repaid $63,188 AUD ($39,625 USD) including additional interest expense of $1,818 on August 19, 2025.

On June 13, 2025, the Company entered into and closed a loan agreement with an institutional investor affiliated with one of our directors, Josef Zelinger, pursuant to which the investor loaned the Company an aggregate principal amount of $15,000 AUD ($9,675 USD). The Company used the net proceeds for general working capital purposes. The maturity date was on June 30, 2025. The loan bore an interest rate of 12% per annum and default interest rate of 18% per annum. The Company fully repaid $15,000 AUD ($9,675 USD) including additional interest expense of $257 on August 19, 2025.

Between July 3, 2025 and August 14, 2025, an institutional investor affiliated with one of our directors, Josef Zelinger, loaned the Company an aggregate of $120,000 AUD ($78,249 USD). These loans bore no interest and were payable on demand. The Company fully repaid these loans between July 21, 2025 and August 19, 2025.

On July 5, 2023, the Company and an institutional investor affiliated with one of our directors, Josef Zelinger, entered into a letter agreement, pursuant to which such investor loaned the Company an aggregate of $230,000 AUD ($153,256 USD). Pursuant to such agreement, the term of such loan is three (3) years, ending on July 5, 2026, with an interest rate of 10% to be paid monthly in arrears. In connection with such loan, the Company issued 10 warrants to purchase common stock to such investor immediately exercisable at an initial exercise price of $15,000 per share (subject to certain adjustments such as stock dividend, stock splits, subsequent right offering and pro-rata distribution) with an expiry date of July 5, 2026. The Company accounted for the 10 warrants issued with this loan payable as debt discount by using the relative fair value method. The total debt discount which is equivalent to the relative fair value of the warrants of $141,084 was based on a fair value determination using a Black-Scholes model with the following assumptions: stock price at valuation date of $178,500 based on the closing price of common stock at date of grant, exercise price of $15,000, dividend yield of zero, expected term of 3.00, a risk-free rate of 4.59%, and expected volatility of 268%. The debt discount shall be amortized over the term of this loan. A portion of the proceeds of such loan were used to repay an outstanding balance of approximately $143,000 due on a convertible note held by a third-party investor which had been in default. Amortization of debt discount for the three months ended September 30, 2026 and 2025 was $644 and $11,843, respectively. The total principal outstanding under this loan, net of discount was $152,612 ($153,256 principal and remaining unamortized debt discount of $644) as of June 30, 2026 and has been reclassified as a short-term loan. The total principal outstanding under this loan was $153,256 and remaining debt discount of $0 as of September 30, 2026 and has been included in loans payable – related parties, net of discount as reflected in the accompanying condensed consolidated balance sheet. Such loan is past due and currently in default.

The remaining balance of all the above loans payable – related parties, net of discount amounted to $364,801 and $460,809 as of September 30, 2026 and June 30, 2026, respectively. Accrued interest for all of the above loans payable – related parties as of September 30, 2026 and June 30, 2026 was $118,927 and $128,318, respectively.

Loans Payable

Effective October 3, 2019, the Company entered into a securities purchase agreement with Crown Bridge Partners, LLC ("Crown Bridge"), pursuant to which Crown Bridge purchased a convertible promissory note from the Company (the "Crown Bridge Note"), which had a remaining principal balance of $0 and $65,280 as of June 30, 2026 and 2025, respectively. The maturity date of the Crown Bridge Note was October 3, 2020 and was past due. The Crown Bridge Note bore interest at a default interest rate of 15% per annum. In August 2022, the SEC filed a complaint against Crown Bridge due to its violation of Section 15(a)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Crown Bridge agreed to surrender all conversion rights in its currently held convertible notes, including the Crown Bridge Note. Consequently, during fiscal year 2023, the Company reclassified the remaining principal balance of $65,280 from a convertible note into a loan payable which is the principal balance at June 30, 2025. The total accrued interest from this loan amounted to $0 as of September 30, 2026 and June 30, 2026, respectively.

On January 7, 2026, the Company entered into an Exchange Agreement with Crown Bridge and issued 1,579 shares of common stock in exchange for the total outstanding balance of $65,280 and accrued interest of $60,484. Those shares were valued at approximately $127 per share or $200,000, being the closing price of the stock on the date of grant, resulting in a loss on extinguishment of debt at the time of exchange of $74,236. Accordingly, the remaining principal balance and accrued interest at September 30, 2026 and June 30, 2026 is $0.

Loans in default

Loans payable – related party for total principal amount of $364,801 and accrued interest of $118,928, which includes interest accruing at the default interest rate at 18% with maturity dates between November 2024 and April 2025, were in default as of September 30, 2026.

NOTE 5 - STOCKHOLDERS' EQUITY

Reverse Stock Split

In March 2026, the Company received written consent in lieu of a meeting by the holders of a majority of the voting power of the Company's outstanding capital stock as of March 2026 and the Company's Board of Directors approving such actions as are necessary for the Company to proceed to, and the Company accordingly intends to, effectuate and execute a reverse stock split of the Company's issued and outstanding shares of common stock at a ratio of one post-split share per twenty-five pre-split shares (1:25) (the "May 2026 Reverse Stock Split"). The Reverse Stock Split became effective as of May 18, 2026. Proportional adjustments for the May 2026 Reverse Stock Split were made to the Company's outstanding stock options, warrants and equity incentive plans.

In October 2026, the Company received written consent in lieu of a meeting by the holders of a majority of the voting power of the Company's outstanding capital stock as of October 2026 and the Company's Board of Directors approving such actions as are necessary for the Company to proceed to effectuate and execute a reverse stock split of the Company's issued and outstanding shares of common stock at a ratio of one post-split share per ten pre-split shares (1:10) (the "Reverse Stock Split"). The Reverse Stock Split became effective as of October 26, 2026. Proportional adjustments for the Reverse Stock Split were made to the Company's outstanding stock options, warrants and equity incentive plans.

All share and per-share data and amounts have been retroactively adjusted as of the earliest period presented in the consolidated financial statements to reflect the reverse stock splits.

Series A Preferred Stock

Of the total preferred shares authorized, 500,000 had been designated as Series A Preferred Stock ("Series A Preferred Stock"), pursuant to the Certificate of Designation for the Series A Preferred Stock filed with the Secretary of State of the State of Delaware on December 9, 2014. There were no shares of Series A Preferred Stock issued and outstanding as of September 30, 2026 and June 30, 2026 for both periods.

Series B Preferred Stock

Pursuant to a certificate of designation filed with the Secretary of State of the State of Delaware on June 16, 2015, five shares of preferred stock have been designated as Series B Preferred Stock, par value $0.01 per share, of the Company ("Series B Preferred Stock"). Each holder of shares of Series B Preferred Stock is entitled to voting power equivalent to the number of votes equal to the total number of shares of common stock outstanding as of the record date for the determination of stockholders entitled to vote at each meeting of stockholders of the Company and entitled to vote on all matters submitted or required to be submitted to a vote of the stockholders of the Company. One share of Series B Preferred Stock is issued and outstanding as of September 30, 2026 and June 30, 2026. Mr. Nathanielsz, the Company's Chief Executive Officer, directly beneficially owns such one share of Series B Preferred Stock.

No additional shares of Series A Preferred Stock or Series B Preferred Stock were issued as of September 30, 2026 and June 30, 2026.

Convertible Series C Preferred Stock and Series C Warrants

On November 4, 2025 (the "Closing Date"), the Company completed a private placement pursuant to a Securities Purchase Agreement with Hexstone Capital LLC ("Hexstone"). At closing, Hexstone purchased 100 shares of Series C Preferred Stock (the "Initial Preferred Shares"), par value $0.01, with a stated value of $10,000 per share, for total gross proceeds of $1,000,099. The Company paid legal fees of $50,000 related to this private placement and was recorded as deemed dividend during the year ended June 30, 2026 due to the temporary equity classification as noted below. In connection with the transaction, the Company also issued warrants to purchase up to 9,900 additional shares of Series C Preferred Stock. Each warrant is exercisable for one share of Series C Preferred Stock at an exercise price of $10,000 per share (subject to equitable adjustments by the Company relating to stock-splits, reclassifications, combination, extraordinary distributions and similar events) and expires two years from issuance. The Series C Preferred Stock and warrants were issued in a private placement.

The Series C Preferred Stock shall have a stated value of $10,000 per share and liquidation value equal to the greater of (A) 100% of stated value of such Series C Preferred Stock and (B) the amount per share such holder would receive if such holder converted into Common Stock immediately prior to the date of such payment. The holder of Series C Preferred Stock shall have a dividend rate of 0%. However, the dividend rate shall automatically be increased to ten percent (10.0%) per annum upon any bankruptcy triggering event as defined in the Certificate of Designation.

At any time after the initial issuance date, each share of Series C Preferred Stock shall be convertible into shares of common stock of the Company by the holder thereof by dividing the stated amount of each share of Series C Preferred Stock of $10,000 by the conversion price. The conversion price shall be the lesser of the fixed conversion price of $125.00 per share or 85% (or 70% if the common stock is suspended from trading on or delisted from the principal market at any time after the initial issuance date (whether or not subsequently cured)), or, in the case of the Initial Preferred Shares) of the of the lowest trading price of the Common Stock during the period beginning on the day the holder sends a conversion notice to the Company and ending on the trading day on which the aggregate dollar volume of the Company's common stock exceeds the product of the conversion amount set forth on the applicable conversion notice multiplied by seven (7) after the applicable holder receives the shares of common stock issuable upon conversion of the Series C Preferred Stock, subject to a five (5) trading day minimum (such period, the "Conversion Measuring Period"); provided, however, that each day on which (i) the Common Stock has been suspended for trading on all Eligible Markets, (ii) Conversion Shares cannot be sold by the Holder because of violation of Section 32 by the Company, or (iii) Conversion Shares are not delivered after the Share Delivery Deadline, that day's dollar volume shall be excluded from the calculation of the total aggregate dollar volume of the Conversion Measuring Period. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction that proportionately decreases or increases the Common Stock during such Conversion Measuring Period; provided further that in no event shall the Conversion Price be lower than the initial Floor Price of $125.00 subject to adjustment per the Board's discretion. In February 2026, the floor price was adjusted to a new floor price of $12.50. In May 2026, the floor price was readjusted to $0.50 after the reverse stock split. As of September 30, 2026, the effective floor price is $0.50.

Subject to the limitations specified in the Certificate of Designation, holders of Series C Preferred Stock shall have the right to vote on all matters presented to the stockholders for approval together with the shares of Common Stock, voting together as a single class, on an "as converted" basis using the conversion price.

Upon any bankruptcy triggering event, the Company were to immediately redeem, in cash, each of the Series C Preferred Stock then outstanding at a redemption price equal to the applicable triggering event redemption price. Each of the Series C Preferred Stock subject to redemption by the Company were to be redeemed by the Company at a price equal to the greater of (i) the product of (A) the conversion amount to be redeemed multiplied by (B) the redemption premium of 110% and (ii) the product of (X) the conversion rate with respect to the conversion amount in effect multiplied by (Y) the product of (1) the redemption premium of 110% multiplied by (2) the VWAP of the Common Stock on any trading day during the period commencing on the date immediately preceding such triggering event and ending on the trading date prior to the date the Company makes the entire payment required to be made. On May 5, 2026, the Company filed a certificate of amendment of certificate of designations of Series C Convertible Preferred Stock whereby amongst other things, the Company removed the mandatory redemption upon any bankruptcy triggering event (the "May 5, 2026 Amended Series C Designation").

Although the Series C Preferred Stock does not have a fixed maturity date and is not mandatorily redeemable on a specified date, the contingent mandatory redemption feature upon a bankruptcy triggering event was considered a conditional obligation to transfer assets outside the Company's control. Accordingly, the Company determined that under ASC 480, the Series C Preferred Stock was initially treated as temporary equity until the May 5, 2026 Amended Series C Designation. Upon issuance of the Series C Preferred Stock, the Company allocated the fair value of $117,754 to the Series C Preferred and subsequent accretion to redemption value at issuance date. Accordingly, during fiscal year 2026, the Company accreted $882,246 to redemption value along with the $50,000 in offering costs and was recorded as deemed dividend totaling $932,246 which was charged to additional paid in capital in the absence of retained earnings in the Company. On May 5, 2026, the date the Series C designation was amended, there were 100 shares of Series C Preferred Stock at that time with a redemption value of $1,000,000 and was reclassified from temporary equity to permanent equity.

Additionally, due to delayed filing and declaration of effectiveness relative to the deadlines defined in the Registration Rights Agreement in connection with this Securities Purchase Agreement, the Company accrued a registration rights penalty amounting to $6,000, which is payable in 400 shares of the Company's common stock to Hexstone and was included in accrued expenses and other payables on the accompanying consolidated balance sheets as of June 30, 2026 and a corresponding other expense during the fiscal year June 30, 2026. As of September 30, 2026, the Company revalued such 400 shares and the value amounted to $1,976 and was included in accrued expenses and other payables on the accompanying condensed consolidated balance sheets.

Series C Warrants

The Company had previously accounted for the 9,900 warrants issued on November 4, 2025, in accordance with the guidance contained in ASC 815 "Derivatives and Hedging" whereby under that provision these warrants did not meet the criteria for equity treatment and were recorded as a liability since the host instrument itself (Series C Preferred Stock) was classified as temporary equity.

The initial valuation of the 9,900 warrants was valued at $882,345 on November 4, 2025 and was recorded at fair value as of each reporting date with the change in fair value reported within other income in the accompanying consolidated statements of operations as "Change in fair value of warrant liability" until the warrants are exercised, expired or other facts and circumstances lead the warrant liability to be reclassified to stockholders' equity which occurred on May 5, 2026 due to the May 5, 2026 Amended Series C Designation.

The Company utilized a Monte Carlo Simulation model to estimate the fair values of the 9,900 warrants, which incorporated significant inputs that were not observable in the market, and thus represents a Level 3 measurement as defined in ASC 820. The unobservable inputs utilized for measuring the fair value of the contingent consideration reflected management's own assumptions about the assumptions that market participants would use in valuing the contingent consideration. The total fair value of the warrant liability on May 5, 2026 of $973,115 was reclassified into additional paid in capital during fiscal year 2026.

Series C Preferred Stock Conversions

In August 2026, the Company issued an aggregate of 220,466 shares of its common stock as a result of the conversion of 200 shares of Series C Preferred stock during such period.

In September 2026, the Company issued an aggregate of 32,800 shares of its common stock and recorded common stock issuable of 64,972 shares as a result of the conversion of 50 shares of Series C Preferred stock during such period. The common stock issuable of 64,972 shares were issued in October 2026.

Issuance of Series C Preferred Stock upon exercise of Series C Warrants

In August 2026, the Company issued an aggregate of 200 shares of Series C preferred stock upon the exercise of 200 Series C Warrants with an exercise price of $10,000 per share and received aggregate gross proceeds of $2,000,000.

There were 150 shares of Series C Preferred Stock issued and outstanding as of September 30, 2026 with a redemption value amounted to $1,500,000.

Issuance of common stock for common stock issuable

Between July 2026 and August 2026, the Company issued an aggregate of 48,763 shares of its common stock for common stock issuable as of June 30, 2026.

Issuance of common stock issued for services

On July 24, 2026, the Company issued an aggregate of 350,000 shares of common stock to certain officers, an employee, directors and consultants for services rendered in July 2026. Those shares were valued at approximately $13.7 per share or $4,795,000, being the closing price of the stock on the date of grant.

Stock-based expense for prepaid (stock-based) services

During fiscal year 2025, the Company issued an aggregate of 8,100 shares of fully vested, non-forfeitable common stock to various consultants for consulting, investor relations and business advisory services with service terms ranging from 6 months to three years. Those shares were valued at a weighted average price of approximately $2,900 (ranging from $1,750 to $3,750) or $23,881,110, being the closing prices of the stock on each respective date of grants.

During fiscal year 2026, the Company issued an additional 30,000 shares of fully vested, non-forfeitable common stock to various consultants for consulting, investor relations and business advisory services related to existing 3-year consulting agreements dated between January 2025 and March 2025. Those shares were valued at approximately $35 per share or $1,050,000, being the closing price of the stock on the date of grant.

During the three months ended September 30, 2026 and 2025, the Company recorded total stock-based compensation of $1,931,989 and $3,024,605, respectively, related to the above transactions.

At June 30, 2026, the Company recorded prepaid (stock based) expense – current portion of $7,620,846 and prepaid (stock based) expense – long-term portion of $4,190,543 to be amortized over the terms of the respective agreements. At September 30, 2026, the Company recorded prepaid (stock based) expense – current portion of $7,591,860 and prepaid (stock based) expense – long-term portion of $2,287,540 related to fiscal year 2025 and 2026 issuances to be amortized over the terms of the respective agreements.

Treasury Stock

Between July 2026 and August 2026, the Company repurchased 320,031 shares of its common stock under the Repurchase Plan for an aggregate purchase price of approximately $499,000, at an average purchase price of $1.56 per share. The shares repurchased are recorded as treasury stock at cost and presented as a reduction of stockholders' equity in the Company's condensed consolidated balance sheets.

Restricted Stock Units

Pursuant to employment agreements dated in May 2019, the Company granted de minimis restricted stock unit (after the Reverse Stock Split) to the Company's Chief Executive Officer and Chief Scientific Officer. Such restricted stock units are subject to vesting terms as defined in the employment agreements. Such restricted stock units were valued at the fair value of approximately $497,240 based on the quoted trading price on the date of grant. There were $248,620 unrecognized restricted stock units expense as of September 30, 2026 and June 30, 2026. A de minimis amount of unvested restricted stock units which are subject to various performance conditions have not yet been met and have not yet vested as of September 30, 2026 to which the above amount of $248,620 relates to.

Stock Warrants:

The following table summarizes warrant activity for the three months ended September 30, 2026:

	Number of Warrants	Weighted Average Price Per Share
Outstanding at June 30, 2026 – no warrant designation	121	$ 1,248
Outstanding at June 30, 2026 - Series C preferred stock warrants	9,600	10,000
Exercised – Series C preferred stock warrants	(200)	10,000
Forfeited	-	-
Expired	(1)	150,000
Outstanding at September 30, 2026	9,520	$ 9,886.55
Exercisable at September 30, 2026	9,520	$ 9,886.55
Outstanding and Exercisable:		
Weighted average remaining contractual term	1.13	
Aggregate intrinsic value	$ -	

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Legal Matters

On December 9, 2025, the Company was served with a complaint (the "Complaint") filed in the Superior Court of the State Delaware by an investment firm (the "Investment Firm"). In the Complaint, the Investment Firm alleges breach of an engagement agreement dated August 3, 2025 (the "Engagement Agreement") between the Company and the Investment Firm and argued that the Company owed the Investment Firm a $15,000 deal deposit fee for entering into the Engagement Agreement and a $250,000 break fee for not completing an equity financing with the Investment Firm. On January 15, 2026, the Company filed an answer to the Complaint with the Superior Court of the State of Delaware and intended to vigorously defend the action. Other than as described above, there is no other action, suit, or proceeding by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or our subsidiary, threatened against or affecting our Company, our Common Stock, our subsidiary or of our companies or our subsidiary's officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

On June 30, 2026, the Company entered into a settlement agreement and release with the Investment Firm pursuant to which the both parties agreed to resolve the disputed claims above, in exchange for dismissal and complete release of all claims, the Company agrees to: (i) make a cash payment of $75,000 to the Investment Firm; and (ii) issue common shares to the Investment Firm shares which, on the date of issuance, have an aggregate value of $75,000 (the "Settlement Payment") During fiscal year 2026, the Company recorded $150,000 in settlement expenses. In July 2026, the Company paid $75,000 and issued 5,129 shares of the Company's common stock valued at $75,000.

IRS Liability

As part of its requirement for having a foreign operating subsidiary, the Company is required to file an informational Form 5471 to the Internal Revenue Service (the "IRS"), which is a form that explains the nature of the relationship between the foreign subsidiary and the parent company. From 2012 through the 2014, the Company did not file this form in a timely manner. As a result of the non-timely filings, the Company incurred a penalty from the IRS in the amount of $10,000 per year, or $30,000 in total, plus accrued interest, such penalty and interest having been accrued and is included in the accrued expenses and other payable figure on the September 30, 2026 and June 30, 2026 consolidated balance sheets. The Company recorded the penalties for all three years during the year ended June 30, 2018. The Company is current on all subsequent filings.

Operating Agreements

In November 2009, the Company entered into a commercialization agreement with the University of Bath (UK) (the "UK University"), whereby the Company and the UK University co-owned the intellectual property relating to the Company's pro-enzyme formulations. In June 2012, the Company and the UK University entered into an assignment and amendment whereby the Company assumed full ownership of the intellectual property, while agreeing to pay royalties of 2% of net revenues to the UK University. Additionally, the Company agreed to pay 5% of each and every license agreement subscribed for. The contract is cancellable at any time by either party. To date, no amounts are owed under the agreement.

Collaboration Agreement

On September 13, 2018, the Company entered into a two-year collaboration agreement with the University of Jaén (the "University") to provide certain research services to the Company. In consideration of such services, the Company agreed to pay the University approximately 52,000 Euros ($59,508 USD) in year one and a maximum of 40,000 Euros ($45,775 USD) in year two. Additionally, in exchange for full ownership of the intellectual property, the Company agreed to pay royalties of 2% of net revenues to the University.

On October 1, 2020, the Company entered into another two-year collaboration agreement with the University to provide certain research services to the Company. In consideration of such services, the Company agreed to pay the University approximately 30,000 Euros ($35,145 USD), which were paid in four installment payment of 5,000 Euros in November 2020, 5,000 Euros ($5,858) in March 2021, 10,000 Euros ($11,715) in December 2021 and 10,000 Euros ($11,715) in September 2022. Additionally, the University agreed to hire and train a doctoral student for this project and the Company agreed to pay the University 25,837 Euros ($30,268 USD). In exchange for full ownership of the intellectual property, the Company agreed to pay royalties of 2% of net revenues to the University.

On July 27, 2022, the Company entered into a two-year research agreement with the University to provide certain research and experiment services to the Company. One of the Company's Scientific Advisory Board is the lead joint researcher of the University. In exchange for full ownership of the intellectual property, the Company agreed to pay royalties of 1% of net revenues each to two members of the Scientific Advisory Board. In consideration of such services, the Company agreed to pay the University approximately 53,200 Euros ($53,806 USD) payable as follows:

- 18,200 Euros ($18,407 USD) upon execution (paid in August 2022),
- 8,000 Euros ($8,091 USD) in September 2022 (paid in September 2025),
- 7,000 Euros ($7,080 USD) in December 2022 (paid in September 2025),
- 10,000 Euros ($10,114 USD) in March 2023 (paid in October 2025), and
- 10,000 Euros ($10,114 USD) in July 2023 (paid in October 2025).

The commencement date for the experiments was on September 1, 2022, and the length of time for completion was 24 months. A doctoral thesis was completed in December 2024.

In March 2026, the Company entered into another two-year collaboration agreement with the University of Jaén and the University of Granada (the "Universities") to provide certain research services to the Company. In consideration of such services, the Company agreed to pay the Universities for research services of approximately 100,000 Euros ($115,900 USD) in year one and 102,800 Euros ($119,145 USD) in year two, as well as, personnel compensation of approximately 80,000 Euros or $92,720 USD (40,000 Euros paid in February 2026, 20,000 Euros payable in December 2026, and 20,000 Euros in June 2027). In exchange for full ownership of the intellectual property, the Company agreed to pay royalties of 5% of net revenues to each University.

In consideration for the research services, the Company agreed to pay the Universities 202,800 Euros ($235,045 USD) payable as follows:

- 34,000 Euros ($39,406 USD) 3rd Month from date of execution in June 2026 (paid in April 2026),
- 41,800 Euros ($48,446 USD) in July 2026 (paid in September 2026),
- 30,000 Euros ($34,770 USD) in September 2026,
- 40,000 Euros ($46,360 USD) in January 2027,
- 30,000 Euros ($34,770 USD) in May 2027, and
- 27,000 Euros ($31,293 USD) in September 2027.

As of September 30, 2026 and June 30, 2026, the Company has $0 balance due to the University for unreimbursed lab fees for both periods. As of September 30, 2026 and June 30, 2026, there are no royalty fees owed to the University.

Consulting Agreements

On August 14, 2025, the Company entered into an underwriting agreement with D. Boral Capital, LLC, as representative (the "Representative") of the underwriters in connection with a public offering of the Company's common stock. On January 23, 2026, the Company entered into a settlement agreement and release with the Representative pursuant to which the Company agreed that, during the 360-day period following the public offering (the "Lock-up Period"), it would not, without the prior consent of the Representative, offer or sell any securities or file any registration statement with the Commission relating to the offering of any shares (as defined in the Lock-up Agreement executed with the Representative). Under the terms of the settlement agreement, the Company agreed to pay the Representative an initial settlement amount of $50,000, as well as 4% of the gross proceeds received from any additional closings. During the three months ended September 30, 2026 and 2025, the Company paid $20,000, as part of the 4% obligation, and $0, respectively, and has been recorded in settlement expenses.

Operating Leases

On May 4, 2025, the Company entered in a one-year lease agreement with North Horizon Pty Ltd., a related party, for a monthly rent of $3,300 AUD or $2,127 USD (depending on exchange rate) per month plus taxes with an option to renew the lease for an additional two-year term. On May 4, 2025, the Company recorded right-of-use assets of $62,126 and total lease liabilities of $62,126 based on an incremental borrowing rate of 12%.

ROU is summarized below:

	September 30, 2026 (Unaudited)	June 30, 2026
Office lease	$ 68,339	$ 68,339
Less: accumulated amortization	(33,353)	(27,549)
Right-of-use asset, net	$ 34,986	$ 40,790

Operating Lease liabilities are summarized below:

	September 30, 2026 (Unaudited)	June 30, 2026
Office lease	$ 68,339	$ 68,339
Reduction of lease liability	(25,598)	(20,032)
Less: office lease, current portion	(25,731)	(24,489)
Long term portion of lease liability	$ 17,010	$ 23,818

Remaining future minimum lease payments under non-cancelable operating lease at September 30, 2026 are as follows:

Fiscal Year 2026- remainder	$ 7,223
Fiscal Year 2027	29,857
Fiscal Year 2028	10,113
Imputed interest	(4,452)
Total operating lease liability	$ 42,741

The weighted average remaining lease term for the operating lease is 1.52 years as of September 30, 2026.

NOTE 7 – RELATED PARTY TRANSACTIONS

Since its inception, the Company has conducted transactions with its directors and entities related to such directors.

Lease Agreement

Effective May 5, 2016, the Company entered into an agreement for the lease of its principal executive offices with North Horizon Pty Ltd., a related party, of which Mr. Nathanielsz, our CEO, CFO and a director, and his wife are owners and directors. The lease had a five-year term and provided for annual rental payments of $39,600 AUD or $28,325 USD, which includes $3,600 AUD or $2,575 USD of goods and service tax for total payments of $198,000 AUD or $141,629 USD during the term of the lease. Such lease expired in May 2021 and was renewed for another one-year term from May 2021 to May 2022. On May 4, 2022, the Company entered into a three-year lease agreement with North Horizon Pty Ltd. for a monthly rent of $3,000 AUD or $2,176 USD (depending on exchange rate) per month plus taxes. On May 4, 2025, the Company renewed for another one-year lease agreement with North Horizon Pty Ltd., a related party, for a monthly rent of $3,300 AUD or $2,127 USD (depending on exchange rate) per month plus taxes with an option to renew the lease for an additional two-year term (See Note 6). As of September 30, 2026 and June 30, 2026, total rent payable of $119,159 AUD ($82,804 USD) and $119,159 AUD ($82,363 USD), respectively, was included in accrued expenses in the accompanying condensed consolidated balance sheet.

Rent expense under the lease was $9,523 USD and $14,789 USD during the three months ended September 30, 2026 and 2025, respectively, reflected as occupancy expenses in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

Loans payable - Related Party

The Company repaid the remaining balance of $96,652 USD including interest expense of $26,991 USD of loans payable – related party on September 3, 2026 (see Note 4).

The remaining balance of all loans payable – related parties, net of discount amounted to $364,801 and $460,809 as of September 30, 2026 and June 30, 2026, respectively. Accrued interest for all loans payable – related parties as of September 30, 2026 and June 30, 2026 was $118,927 and $128,318, respectively (see Note 4).

Employment and Services Agreements with Management

The Company and Mr. Nathanielsz entered into an employment agreement as of February 25, 2015 (the "Nathanielsz Employment Agreement") setting forth the terms and conditions of Mr. Nathanielsz's employment as the Company's President and Chief Executive Officer. The Nathanielsz Employment Agreement was scheduled to expire on February 25, 2019; however, the term of the Nathanielsz Employment Agreement automatically renews for successive one-year periods unless either party provides 30 days' prior written notice of his or its intent not to renew. The Nathanielsz Employment Agreement continues in effect as amended on October 26, 2022 (see below). The Nathanielsz Employment Agreement provides Mr. Nathanielsz with a base salary of $25,000 AUD per month ($300,000 AUD annually or $205,680 USD) and a monthly contribution to Mr. Nathanielsz's pension equal to 9.5% of his monthly salary. Mr. Nathanielsz has the ability to convert any accrued but unpaid salary into common stock at the end of each fiscal year at a conversion price to be determined by Mr. Nathanielsz and the Company, which will in no event be lower than par value or higher than the closing bid price on the date of conversion. Pursuant to the Nathanielsz Employment Agreement, Mr. Nathanielsz is entitled to an annual discretionary bonus in an amount up to 200% of his annual base salary, which bonus shall be determined by the Company's board of directors based upon the performance of the Company. On March 16, 2018, the Company's board of directors approved an increase of Mr. Nathanielsz's annual base salary from $300,000 AUD ($205,680 USD) to $400,000 AUD ($274,240 USD), effective February 2018. On August 1, 2022, the Company's board of directors approved an increase of Mr. Nathanielsz's annual base salary from $400,000 AUD ($309,313 USD) to $600,000 AUD ($414,900 USD), effective July 1, 2022.

Mr. Nathanielsz's wife, Sylvia Nathanielsz, was a non-executive, part-time employee of the Company since October 2015. Effective October 17, 2025, Mr. Nathanielsz's wife, Sylvia Nathanielsz, became the finance and operations manager of the Company. Consequently, Mrs. Nathanielsz's annual salary increased from $120,000 AUD ($80,904 USD) to $150,000 AUD ($103,680 USD) and is entitled to customary benefits.

On August 12, 2021, the Board approved a bonus of $177,840 USD. A total of $221,890 AUD ($166,418 USD) in payments were made against the bonuses during the year ended June 30, 2021 resulting in a remaining balance of $422,610 AUD ($316,957 USD) bonus payable as of June 30, 2021. On August 12, 2021, pursuant to the Cancellation Agreement, Mr. Nathanielsz agreed to cancel $177,840 of the bonus payable in exchange for 4 shares of the Company's Common Stock. On August 1, 2022, the Board approved a bonus of $140,000 AUD or $96,810 USD. A total of $25,000 AUD ($16,070 USD) in payments were made in respect of the bonuses during fiscal year 2024. In January 2024, the Board approved a bonus of $150,000 AUD or $102,195 USD. In June 2025, the Board approved a bonus of $198,000 AUD or $130,106 USD resulting in a remaining balance of $415,540 AUD ($273,051 USD) bonus payable as of June 30, 2025.

Total bonus payments of $172,939 AUD ($115,247 USD) were made during the year June 30, 2026. In fiscal year 2026, the Board approved a bonus of $330,000 AUD or $228,096 USD resulting in a remaining balance of $572,664 AUD ($395,825 USD) bonus payable as of June 30, 2026 which was included in accrued expenses in the accompanying condensed consolidated balance sheet. Total bonus payments of $112,664 AUD ($79,574 USD) were made during the three months ended September 30, 2026, resulting in a remaining balance of $460,000 AUD ($319,251 USD) bonus payable as of September 30, 2026 which was included in accrued expenses in the accompanying condensed consolidated balance sheet.

Amended and Restated Employment Agreement

On May 14, 2019 (the "Effective Date"), the Company entered into an Amended and Restated Employment Agreement (the "Employment Agreement") with Mr. Nathanielsz for a term of three years, subject to automatic one-year renewals, at an annual salary of $400,000 AUD ($309,313 USD). Pursuant to the Employment Agreement, Mr. Nathanielsz was granted options to purchase a de minimis share of common stock (the "Nathanielsz Options"), de minimis restricted stock units of the Company (the "Initial Nathanielsz RSUs"), and an additional de minimis restricted stock units of the Company (the "Additional Nathanielsz RSUs"). Such options and restricted stock units were granted pursuant to the 2019 Plan approved by the Board on the Effective Date. The Nathanielsz Options have a term of 10 years from the date of grant. The Nathanielsz Options and Additional Nathanielsz RSU's are subject to vesting periods pursuant to the Employment Agreement. There are de minimis vested options and restricted stock units that are considered issuable as of September 30, 2026 and June 30, 2026.

On October 26, 2022, the Company entered into an Amended and Restated Employment Agreement (the "Amended Agreement") with Mr. Nathanielsz, effective as of July 1, 2022, (the "2022 Effective Date"). The Amended Agreement provides Mr. Nathanielsz with a base salary of $600,000 AUD ($414,900 USD) per annum. The Company has also agreed to pay Mr. Nathanielsz an annual discretionary bonus in an amount up to 100% of his annual base salary, reduced from 200%, which bonus shall be determined by the Board and based upon the performance of the Company. The Amended Agreement has a term of three (3) years from the 2022 Effective Date, with automatic one-year renewal periods unless either party elects not to renew.

Amended and Restated Employment Agreement

On May 14, 2019, the Company entered into an Amended and Restated Services Agreement (the "Services Agreement") with Dr. Kenyon, the Company's former Chief Scientific Officer and director, for a term of three years, subject to automatic one-year renewals, at an annual salary of $54,000 AUD ($41,580 USD). In connection with the execution of the Services Agreement, Dr. Kenyon was designated as an executive officer of the Company and assumed a more active executive role with the Company. Pursuant to the Services Agreement, Dr. Kenyon was granted options to purchase a de minimis share of common stock (the "Kenyon Options"), a de minimis restricted stock units of the Company (the "Initial Kenyon RSUs"), and an additional de minimis restricted stock units of the Company (the "Additional Kenyon RSUs"). Such options and restricted stock units were granted pursuant to the 2019 Plan. The Kenyon Options have a term of 10 years from the date of grant. The Kenyon Options and Additional Kenyon RSU's are subject to vesting periods pursuant to the Services Agreement. There are de minimis vested options and restricted stock units that are considered issuable as of June 30, 2026 and 2025.

Starting October 1, 2025, the Company agreed to pay Dr. Kenyon an annual director's fee of $45,000 USD. Effective February 20, 2026, Dr. Kenyon retired and stepped down from the board of directors of the Company. Dr. Kenyon will remain a medical advisor to the Company. That same day, the board filled the vacancy left by Dr. Kenyon and appointed Dr. Ralf Brant to serve on the board.

As of September 30, 2026 and June 30, 2026, total accrued salaries of $202,000 AUD ($139,622 USD) for both periods, were included in accrued expenses in the accompanying condensed consolidated balance sheets.

Consulting and Professional Fees Paid To Related parties

During the three months ended September 30, 2026 and 2025, the Company paid accounting fees amounting to $150USD and $3,700USD, respectively, to an affiliated company whose managing director is one of the Company's directors, Mr. Joseph Himy, who was appointed in August 2025. The Company's Chief Financial Officer, Ms. Jeannine Zimmerman, also currently works in the same affiliated company.

During the three months ended September 30, 2026, the Company paid development consulting fees amounting to $17,248 AUD ($12,182 USD) to an affiliated company owned by one of the Company's directors, Dr. Brant, who was appointed in February 2026. Additionally, as of September 30, 2026 and June 30, 2026, the Company recorded accounts payable of $15,631 AUD ($10,862 USD) and $13,310 AUD ($9,200 USD) due to Dr. Brant, respectively.

During the three months ended September 30, 2026, the Company paid accounting fees amounting to $3,250 AUD ($2,295 USD) to an affiliated company owned by one of the Company's directors, Mr. Carlo Campiciano, who was appointed in July 2026. Additionally, as of September 30, 2026, the Company recorded accounts payable of $18,325 AUD ($10,862 USD) due to Mr. Campiciano.

Employee Benefit Liability

As of September 30, 2026 and June 30, 2026, total employee benefit liability of $770,910 and $754,038, respectively, consist of unpaid or unused annual leave and long service leave by Mr. Nathanielsz and Sylvia Nathanielsz, as reflected in the accompanying condensed consolidated balance sheets.

Intercompany Loans

All intercompany loans were made by the parent to the Company's subsidiary, Propanc PTY LTD, none of which has been repaid as of September 30, 2026. Effective fiscal year 2021, the parent company determined that intercompany loans will not be repaid in the foreseeable future and thus, per ASC 830-20-35-3, gains and losses from measuring the intercompany balances are recorded within cumulative translation adjustment on the condensed consolidated balance sheet as accumulated other comprehensive income.

NOTE 8 – CONCENTRATIONS AND RISKS

Concentration of Credit Risk

The Company maintains its cash in banks and financial institutions in Australia. Bank deposits in Australian banks are uninsured. The Company has not experienced any losses in such accounts through September 30, 2026.

The Company did not receive any funding from any debt lender and relied on funding from one equity investor and received net proceeds of $2,000,000 during the three months ended September 30, 2026.

The Company primarily relied on funding from one convertible and two non-convertible debt lenders and received net proceeds after deductions of $19,850 for original issue discounts and debt issue costs during the three months ended September 30, 2025 from each of the three lenders of $100,000, $75,000, and $78,249, respectively which represents approximately 39%, 30% and 31%, respectively of total proceeds received by the Company during the three months ended September 30, 2025.

Receivable Concentration

As of September 30, 2026 and June 30, 2026, the Company's receivables were 100% related to reimbursements on GST taxes paid.

Patent and Patent Concentration

The Company has filed multiple patent applications relating to its lead product, PRP. The Company's lead patent application has been granted and remains in force in the United States, Belgium, Czech Republic, Denmark, France, Germany, Ireland, Italy, Netherlands, Portugal, Spain, Sweden, Switzerland, Liechtenstein, Turkey, United Kingdom, Australia, China, Japan, Indonesia, Israel, New Zealand, Singapore, Malaysia, South Africa, Republic of Korea, India and Brazil. In Canada and Mexico, the patent applications have been accepted as of fiscal year 2023.

In 2016 and early 2017, the Company filed other patent applications. Three applications were filed under the Patent Cooperation Treaty (the "PCT"). The PCT assists applicants in seeking patent protection by filing one international patent application under the PCT, applicants can simultaneously seek protection for an invention in over 150 countries. Once filed, the application is placed under the control of the national or regional patent offices, as applicable, in what is called the national phase. One of the PCT applications filed in November 2016, entered national phase in July 2018 and another PCT application entered national phase in August 2018. A third PCT application entered the national phase in October 2018.

In July 2020, a world-first patent was granted in Australia for the cancer treatment method patent family. Presently, there are 85 granted, allowed, or accepted patents and 5 patents filed, or under examination in key global jurisdictions relating to the use of proenzymes against solid tumors, covering the lead product candidate PRP.

Further patent applications are expected to be filed to capture and protect additional patentable subject matter based on the Company's field of technology relating to pharmaceutical compositions of proenzymes for treating cancer.

Foreign Operations

As of September 30, 2026 and June 30, 2026, the Company's operations are based in Camberwell, Australia; however, the majority of research and development is being conducted in the European Union.

On July 22, 2016, the Company formed a wholly-owned subsidiary, Propanc (UK) Limited under the laws of England and Wales, for the purpose of submitting an orphan drug application with the European Medicines Agency as a small and medium-sized enterprise. As of September 30, 2026, there has been no activity within this entity.

NOTE 9 – SUBSEQUENT EVENTS

Shares issued for exercise of Series C Warrants

In October 2026, the Company received aggregate gross proceeds of $500,000 from the exercise of approximately 50 Series C Warrants with an exercise price of $10,000 per share and issued 50 shares of Series C preferred stock.

Shares issued for common stock issuable

In October 2026, the Company issued an aggregate of 64,972 shares of common stock for common stock issuable as of September 30, 2026.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Special Note Regarding Forward-Looking Information

The following discussion and analysis of the results of operations and financial condition of Propanc Biopharma, Inc., and its wholly-owned Australian subsidiary, Propanc PTY LTD (collectively, "Propanc" or the "Company") as of September 30, 2026 and for the three months ended September 30, 2026 and 2025 should be read in conjunction with our unaudited financial statements and the notes to those unaudited financial statements that are included elsewhere in this Quarterly Report on Form 10-Q for the period ended September 30, 2026 (this "Quarterly Report"). References in this Management's Discussion and Analysis of Financial Condition and Results of Operations section to "us", "we", "our" and similar terms refer to Propanc. This Quarterly 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"). The events described in forward-looking statements contained in this Quarterly Report may not occur. Generally, these statements relate to business plans or strategies, projected or anticipated benefits or other consequences of our plans or strategies, projected or anticipated benefits from acquisitions to be made by us, or projections involving anticipated revenues, earnings or other aspects of our operating results. The words "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "feel", "forecast", "intend", "may,", "outlook", "plan", "potential", "predict", "project,", "seek", "should", "will", "would" and their opposites and similar expressions, are intended to identify forward-looking statements. We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based.

Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. Except as required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

U.S. Dollars are denoted herein by "USD," "$" and "dollars".

Overview

The Company was originally formed in Melbourne, Victoria, Australia on October 15, 2007, as Propanc PTY LTD. On November 23, 2010, Propanc Health Group Corporation was incorporated in the State of Delaware and in January 2011; to reorganize our Company, we acquired all the outstanding shares of Propanc PTY LTD on a one-for-one basis, whereby Propanc PTY LTD became our wholly owned subsidiary. Effective April 20, 2017, we changed our name to "Propanc Biopharma, Inc." to better reflect our current stage of operations and development.

We are a development-stage healthcare company that is currently focused on developing new cancer treatments for patients suffering from pancreatic, ovarian and colorectal cancer. Utilizing our scientific and oncology consultants, we have developed a rational, composite formulation of anti-cancer compounds, which together exert several effects designed to control or prevent tumors from recurring and spreading through the body. Our lead product candidate, PRP, is a variation upon our novel formulation and involves pro-enzymes, the inactive precursors of enzymes.

Recent Developments

On October 16, 2026, new preclinical research from an academic–industry collaboration from the Universities of Jaén and Granada, led by Dr. Maria Belén Toledo, has identified pancreatic proenzyme formulation, PRP, as a potential strategy for addressing chemotherapy resistance in pancreatic cancer. Chemotherapy-resistant tumor cells can acquire adaptive cellular states that allow them to survive treatment and maintain aggressive characteristics. The study investigated whether PRP could remodel these resistant states and increase their vulnerability to subsequent chemotherapy. It combined functional cellular analyses with transcriptome-wide (i.e. RNA molecules within the cell) profiling in pancreatic cancer models with acquired chemotherapy resistance. These findings are highly significant as we progress PRP to a world-first, Phase 1b, First-In-Human study for advanced cancer patients with solid tumors in Q1 2027, because we envision PRP as a welcome addition to the treatment process, as a long term, metronomic therapy that minimizes threat of recurrence, whilst enabling patients to respond to standard treatment options where tumor resistance has become a critical, life threatening factor.

On October 22, 2026, the Company's Board of Directors, approved a 1-for-10 reverse stock split of the Company's issued and outstanding shares of common stock, par value $0.001 per share ("Reverse Stock Split"). The Reverse Stock Split was effective as of the open of the market October 26, 2026. The Reverse Stock Split is being implemented to enable the Company to expeditiously restore compliance with the continued listing standards of the Nasdaq Stock Market and Nasdaq's $1.00 minimum bid price requirement and support future growth plans, as we prepare for our Phase 1b, First-In-Human (FIH) study, in up to 50 advanced cancer patients with solid tumors in the first quarter of 2027. By undertaking this important corporate action, we will clear the pathway for execution of future R&D milestone events that we believe will be transformative for the Company and its shareholders.

On October 26, 2026, we announced new preclinical data supporting the potential of its lead asset, PRP (a proprietary fixed-ratio 1:6 intravenous formulation of trypsinogen and chymotrypsinogen), to address chemotherapy resistance in pancreatic cancer. In collaborative research led by Dr. Maria Belén Toledo at the Universities of Jaén and Granada, PRP was shown to remodel the resistant cellular state in pancreatic cancer models with acquired chemotherapy resistance. The study used a sequential design (chemoresistant cells → PRP pre-treatment → chemotherapy challenge) and demonstrated that PRP functions as a resistance-modulating intervention rather than a conventional cytotoxic agent. Key preclinical findings include:

- Proliferation and survival: PRP monotherapy reduced cancer cell proliferation by ~50–54% and suppressed long-term clonogenic survival by up to 59%.
- Metastatic behavior: Migration limited to 21–57% wound closure (vs. 100% in untreated controls); invasive capacity reduced by 47–81%.
- EMT reversal: Strong epithelial differentiation with E-cadherin upregulated up to 5.29-fold and EPCAM up to 4.39-fold; mesenchymal drivers Vimentin reduced to ~0.31–0.32-fold and Snail to 0.28–0.62-fold.
- Pathway effects: Significant downregulation of TGF-β/SMAD signaling, induction of pro-apoptotic BAX (up to 2.74-fold), and suppression of oncogenic stemness drivers MYC and SOX2 (down to 0.11–0.22-fold in resistant cells).
- Combination synergy: PRP plus TGF-β inhibition further amplified responses, including 80% invasion inhibition and stronger apoptotic signaling.

These results complement the Company's recent peer-reviewed pilot study published in Scientific Reports (Nature Publishing Group), which reported an 85.9% reduction in mean tumor weight in an orthotopic pancreatic (Pan 02) model at the higher dose, ~50% tumor-weight inhibition in an ovarian (A2780) model, anti-angiogenic activity, near-complete blockade of invasion in select lines, and EMT reversal. The Pan 02 cancer cell line is particularly noteworthy since it is a syngeneic (genetically identical or similar) tumor model conducted in immunocompetent mice and is clinically relevant for patients where cytotoxic agents induce immunosuppression and are at risk of infection—one of the main causes of death for cancer patients. Conversely, PRP reduces chemoresistance whilst enhancing immunorecognition. In addition, earlier orthotopic and patient-derived xenograft data have also shown >90% mean tumor growth inhibition and >2.5-fold median survival extension in advanced PDAC models, with reduced metastatic burden and tumor microenvironment remodeling.

On October 28, 2026, the Company announced it is advancing its clinical development program for PRP (Company Code Name: PPC-001, Propanc Proenzyme Combination) its investigational proenzyme-based therapeutic candidate, as the Company preparations continue for its planned Phase 1b, First-In-Human study in up to 50 advanced cancer patients with solid tumors. Several key workstreams are underway, including clinical trial protocol development, preparation of the Investigator's Brochure (IB), clinical site feasibility assessments, vendor selection, and regulatory and Human Research Ethics Committee (HREC) submission plans. These activities support the Company's preparations for the next phase of clinical development, with particular emphasis on finalizing the documentation, operational infrastructure and regulatory requirements necessary to initiate the proposed study. The Company's clinical development activities are progressing across several interconnected workstreams:

- Clinical documentation: Preparation of the final clinical protocol and Investigator's Brochure is ongoing, with final protocol documentation targeted for early November 2026.
- Investigator's Brochure: Finalization is progressing, with additional stability information relating to clinical samples and the clinical formulation scheduled for incorporation during November 2026.
- Clinical site preparation: Site feasibility and identification activities are progressing well with a first meeting scheduled alongside site budget negotiations and collection of essential regulatory documentation.
- Clinical operations: Vendor selection and contracting activities are progressing, together with the preparation of study plans and clinical data management systems.
- Ethics and regulatory submissions: The current project schedule targets the first-site ethics submission process during November 2026, followed by regulatory activities in January 2027.

The Company currently targets February 2027 for its first clinical site initiation visit followed by its first patient screening, subject to completion of the necessary clinical, regulatory, ethics and operational requirements.

On October 30, 2026, key analytical development activities are underway, including immunogenicity assay feasibility, pharmacokinetic method optimization and stability testing, supporting preparations for the planned Phase 1b, First-In-Human study of the Company's lead clinical candidate, PPC-001, in up to 50 advanced cancer patients with solid tumors. Propanc continues to advance its analytical development activities in parallel with preparations for its Phase 1b First-In-Human study. The ongoing feasibility assessment of immunogenicity assays, together with the planned optimization of pharmacokinetic bioanalytical methods and stability testing, represents an important component of the Company's clinical development strategy. Key achievements include:

- Encouraging stability results for PPC-001 in human blood matrices: Bioanalytical studies demonstrated that the two proenzyme components of PPC-001, trypsinogen and chymotrypsinogen, remained detectable without evidence of significant degradation over the investigated sample-handling periods.
- Stability demonstrated across three human donors: Follow-up experiments conducted by FyoniBio evaluated serum and plasma samples from three individual donors, strengthening the initial feasibility findings.
- Stability over 60 minutes at room temperature: The September study demonstrated recovery results generally exceeding 85% after 60 minutes, supporting the feasibility of clinical blood sample collection and processing procedures.
- Successful application of mass spectrometry: LC-MS-based analytical methods were used to measure both proenzyme components in human serum and plasma, providing a foundation for further development of pharmacokinetic assays.
- Progress in immunogenicity assay development: Laboratory experiments demonstrated successful preparation of biotin- and sulfoTAG-labelled trypsinogen and chymotrypsinogen reagents, with no degradation observed by SDS-PAGE under the tested labelling conditions.
- Additional evidence of short-term reagent stability: Labelled assay reagents showed no detectable degradation by SDS-PAGE following storage for one day at 4°C under the tested conditions, supporting continued development of anti-drug antibody (ADA) assays.

Advancement toward clinical bioanalytical readiness – together, these findings support continued assay optimization and pre-validation activities required for the planned clinical development of PPC-001 and are structured in the three key areas based on the unique properties of treatment. These activities are expected to provide the analytical foundation required to support the evaluation of PPC-001 during its clinical development program.

1. Anti-Drug Antibody Assay Development: The feasibility assessment for the development of two ADA assays, targeting the individual proenzyme components trypsinogen and chymotrypsinogen, is currently underway. The feasibility program is evaluating the suitability of existing positive control antibodies to support the development of reliable immunogenicity assays. Following successful feasibility assessment, the program is scheduled to progress to assay establishment and subsequent validation.
2. Pharmacokinetic Bioanalytical Method Development: The Company has established a structured analytical development program aimed at optimizing the sensitivity and performance of bioanalytical methods for measuring PPC-001 components in clinical samples. The program includes the evaluation of stable isotope-labelled peptides as internal standards, strategies to minimize biological matrix effects, and optimization of sample volumes to improve analytical sensitivity. Additional activities will focus on reducing sample analysis time and establishing a suitable analytical method for subsequent clinical application.
3. Stability Assessment and Analytical Support: Stability testing activities covering the drug product and its analytical characteristics are included in the development program. The analytical program is intended to generate the data necessary to support appropriate sample handling, analytical reliability and clinical bioanalytical assessments.

On November 2, 2026, we announced new preclinical findings evaluating its pancreatic proenzyme formulation (PRP) alone and in combination with galunisertib (GAL), a small-molecule inhibitor of transforming growth factor beta receptor I (TGF-βRI), in pancreatic ductal adenocarcinoma (PDAC) models. The Company has filed an Australian patent application relating to the combination approach. The research was conducted in collaboration with investigators at the University of Jaén and the University of Granada in Spain. The study compared PRP, GAL and PRP plus GAL in wild-type BxPC-3 pancreatic cancer cells, gemcitabine-resistant BxPC-3 cells, normal-associated fibroblasts (NAFs) and cancer-associated fibroblasts (CAFs). Experiments assessed cell proliferation, colony formation, migration and invasion, together with molecular readouts associated with TGF-β signaling, epithelial–mesenchymal transition (EMT), extracellular-matrix (ECM) remodeling and fibroblast activation. PDAC is characterized by complex interactions between malignant cells and the surrounding tumor microenvironment. TGF-β signaling can contribute to tumor-cell plasticity, EMT and stromal activation, although its effects depend on cellular context. The study investigated whether PRP could modulate these tumor- and stroma-associated processes and whether adding a TGF-β pathway inhibitor provided further effects. Key preclinical findings:

- Anti-proliferative activity in tumor models: PRP reduced cell proliferation by approximately 50% in wild-type and gemcitabine-resistant BxPC-3 cells relative to untreated controls. PRP plus GAL reduced proliferation by 75% and 66%, respectively. The additional reduction versus PRP alone was significant in wild-type cells; in resistant cells, the further reduction was not statistically significant.
- Reduced long-term colony-forming capacity: PRP reduced colony formation by 59% in wild-type cells and 39% in gemcitabine-resistant cells. The combination reduced colony formation by 68% and 64%, respectively. The additional effect of the combination over PRP alone was significant in the resistant model, but not in the wild-type model.
- Suppression of migration and invasion: In wound-healing assays at 72 hours, wound closure was 21% with PRP in wild-type cells and 57% in resistant cells, compared with untreated controls. PRP plus GAL resulted in 19% and 30% wound closure, respectively; the combination significantly improved the result over PRP alone in resistant cells, but not in wild-type cells. In Matrigel invasion assays, PRP reduced invasion by 81% in wild-type cells and 47% in resistant cells. PRP plus GAL produced reductions of 89% and 80%, respectively.
- Modulation of TGF-β/SMAD pathway-associated gene expression: PRP significantly reduced SMAD2, SMAD3 and TGFBR1 transcript levels to 0.45-, 0.63- and 0.55-fold of control in wild-type cells, and to 0.42-, 0.36- and 0.23-fold in resistant cells, compared to control group. The combination produced further reductions in selected readouts, although the magnitude and statistical significance of the additional effects varied across models and markers.
- Changes in EMT-associated markers: PRP increased E-cadherin expression 5.29-fold in wild-type cells and 4.86-fold in resistant cells, while reducing Vimentin to 0.31- and 0.32-fold and Snail to 0.62- and 0.28-fold, respectively, relative to untreated controls. The combination produced additional changes in selected biomarkers, including stronger suppression of Snail in the resistant-cell model. These transcriptional findings are consistent with a shift towards a more epithelial gene-expression profile; they do not establish complete reversal of EMT.
- Changes in genes are linked to tumor aggressiveness and cell survival: In wild-type cells, PRP reduced MYC and SOX2 expressions to 0.27- and 0.54-fold of control, respectively, and increased the pro-apoptotic marker BAX 2.49-fold. In resistant cells, MYC and SOX2 fell to 0.11- and 0.22-fold, while BAX increased 2.74-fold. These are gene-expression results and can be interpreted as degree of apoptosis.
- Differential responses in fibroblast populations: PRP reduced CAF proliferation by up to 53% and CAF invasion by 85%, while its effect on NAF proliferation was modest and not statistically significant (approximately 22% reduction); NAF invasion was reduced by 19%. The gene-expression data showed a similar differential response. In CAFs, PRP reduced αSMA, FAPα and YAP1 expression to 0.56-, 0.27- and 0.58-fold of untreated-control levels, respectively. It also reduced COL1A1, FN1, MMP9, IL6 and CXCL12 expressions to 0.65-, 0.42-, 0.49-, 0.25- and 0.54-fold of control, respectively. In NAFs, the corresponding reductions in COL1A1, FN1, MMP9, IL6 and CXCL12 expression were not statistically significant (0.81-, 0.86-, 0.76-, 0.75- and 0.81-fold of control, respectively); αSMA expression was 0.81-fold of control, YAP1 was 0.89-fold, and FAPα expression was undetectable. Overall, the pattern suggests a more pronounced effect on activated CAFs than on NAFs.
- Combination effects and stromal selectivity: Compared with PRP monotherapy, the addition of GAL enhanced the inhibition of selected CAF-associated functional and molecular features, although it also increased the impact on normal-associated fibroblasts. In proliferation assays PRP + GAL reduced CAF proliferation by 71%, compared with 53% with PRP alone, while inhibition in NAFs increased from a non-significant 22% with PRP to 55% with the combination. In clonogenic assays, the combination reduced colony formation by 78% in CAFs, compared with 69% with PRP alone; however, it also reduced NAF clonogenic capacity by 42%, whereas PRP largely preserved it. This additional reduction in NAF clonogenicity was significant (38.9% relative to PRP), while the additional reduction in CAFs was not significant (19.5%). Regarding migration, PRP + GAL limited wound closure in CAFs to 28% at 72 hours, compared with 35% with PRP alone, whereas NAF wound closure reached 100% under both treatment conditions. In Matrigel assays, the combination further reduced invasion in CAFs from 85% with PRP alone to 90%, while the reduction in NAF invasion increased from 19% to 32%. At the molecular level, PRP + GAL produced a slightly greater downregulation of CAF-associated genes than PRP alone, reducing COL1A1, FN1, MMP9, IL6 and CXCL12 expression to 0.40-, 0.32-, 0.29-, 0.16- and 0.32-fold of control levels, respectively, compared with 0.65-, 0.42-, 0.49-, 0.25- and 0.54-fold with PRP alone. The combination also reduced CAF activation markers αSMA and FAPα to 0.45- and 0.19-fold of control, respectively, compared with 0.46- and 0.30-fold with PRP. In NAFs, the combination reduced COL1A1, FN1, MMP9, IL6 and CXCL12 expressions to 0.63-, 0.85-, 0.56-, 0.68- and 0.80-fold of control, respectively, indicating broader effects than PRP monotherapy, for which these changes were modest and not statistically significant. Overall, PRP alone showed a more favorable stromal selectivity profile, whereas the addition of GAL enhanced suppression of several CAF-associated markers but also increased effects on NAF proliferation, clonogenicity and invasion.

The addition of galunisertib enhanced the suppression of several CAF-associated markers, including genes involved in ECM remodeling and inflammatory signaling, and further reduced selected functional endpoints, particularly tumor-cell and CAF invasion. However, these additional effects were not uniform across all assays. Importantly, GAL-containing treatment also increased the suppression of several readouts in NAFs, including proliferation and clonogenic capacity. This distinction raises an important question: whether stronger inhibition of TGF-β associated signaling necessarily produces a more favorable overall response, or whether preserving the selectivity of the stromal response may be equally important. Within the conditions tested, PRP monotherapy showed a more favorable profile in terms of differential effects on CAFs and NAFs, whereas the combination produced broader stromal suppression at the expense of some of this apparent selectivity. These findings do not establish that preserving NAF function improves clinical outcomes, but they support investigating stromal selectivity as an important parameter when evaluating future combination strategies.

In tumor cells, PRP also demonstrated activity across multiple functional and molecular endpoints in both wild-type and gemcitabine-resistant BxPC-3 models. These effects included reduced proliferation, colony-forming capacity, migration and invasion, together with changes in TGF-β/SMAD-associated signaling and EMT-related gene expression. Increased E-cadherin expression alongside reduced vimentin and Snail expression was consistent with a shift towards a more epithelial transcriptional profile, while changes in MYC, SOX2 and BAX suggested additional effects on genes associated with tumor-cell aggressiveness and apoptotic regulation. The combination with GAL enhanced selected responses, particularly invasion suppression in resistant tumor cells, although the magnitude of the additional benefit varied between models and experimental endpoints. These observations support further investigation of PRP as a potential modulator of aggressive tumor-cell phenotypes, including in a gemcitabine-resistant setting.

A central hypothesis emerging from this study is that PRP may offer a dual advantage: modulating aggressive tumor-cell characteristics while preferentially attenuating features of activated tumor-supportive stroma. TGF-β inhibition may reinforce some of these effects, but its broader impact on normal-associated fibroblasts suggests that the optimal therapeutic strategy may not simply be the one that produces the greatest overall suppression. Instead, the balance between tumor-directed activity, CAF modulation and preservation of normal stromal functions may be critical.

On November 2, 2026, the Company announced that new findings from the academic collaboration that examined tumor-cell behavior, TGF-B/Smad signaling & stromal responses resulted in an Australian patent application filed for the combination approach on October 26, 2026. PRP represents a new approach addressing these resistance mechanisms by inducing biological effects that alter the behavior of these malignant cells, rather than using the inhibitory approach. Our unique intellectual property portfolio continues to grow and strengthen as a result and is positioning the Company for long-term future growth, which management believes will be reached as future planned R&D milestones are achieved.

Results of Operations

The following discussion should be read in conjunction with the Company's unaudited consolidated financial statements and notes thereto included elsewhere in this Report. The results discussed below are of the Company and its wholly-owned Australian subsidiary, Propanc PTY LTD.

For the Three months ended September 30, 2026, as compared to the Three months ended September 30, 2025.

Revenue

For the three months ended September 30, 2026 and 2025, we generated no revenue because we are currently undertaking research and development activities for market approval and no sales were generated in this period.

Administration Expense

Administration expense decreased to $182,728 for the three months ended September 30, 2026 as compared to $137,341 for the three months ended September 30, 2025. This increase of approximately $45,000 is primarily attributable to the increase in travel expenses of approximately $85,000 and increase in insurance expense of approximately $6,000 offset by decrease in marketing expense of approximately $12,000 and decrease in public company expenses of approximately $34,000 primarily due to the one-time entry fee paid to Nasdaq during the prior period associated with the Company's listing. The overall increase in administration expenses was primarily attributable to increased costs associated with the Company's listing on the Nasdaq Capital Market, including higher regulatory and compliance costs, insurance expenses, and other public company-related expenditures.

Compensation and Related Taxes

Compensation and related taxes increased to $2,244,382 for the three months ended September 30, 2026 as compared to $110,002 for the three months ended September 30, 2025. This decrease of approximately $2,134,000 is primarily attributable to the increase in stock-based compensation expenses of approximately $2,055,000 to our officer and an employee offset by an increase in base salary of an employee during the three months ended September 30, 2026.

Professional and Consulting Expense

Professional and consulting expenses increased to $5,678,233 for the three months ended September 30, 2026 as compared to $4,351,231 for the three months ended September 30, 2025. This increase of approximately $1,327,000 is primarily attributable to the increase in stock-based consulting and stock-based legal services of approximately $921,000, increases in general consulting and investor relations expenses of approximately $306,000, increase in legal fees of approximately $49,000, increase director fees of approximately $50,000 and increase in accounting fees of approximately $1,000. The overall increase in professional and consulting expenses during the three months ended September 30, 2026 was primarily attributable to increased costs associated with the Company's listing on the Nasdaq Capital Market, including higher consulting fees and other costs associated with the preparation and filing of registration statements.

Occupancy Expense – Relates Party

Occupancy expenses decreased to $9,523 for the three months ended September 30, 2026 as compared to $14,789 for the three months ended September 30, 2025, a minimal increase of approximately $5,000.

Research and Development Expenses

Research and development expenses increased to $457,677 for the three months ended September 30, 2026 as compared to $60,201 for the three months ended September 30, 2025, an increase in research and development expenses of approximately $397,000.

Such research and development expenses are related to the advancement of the Company's lead asset, PRP, along with the development of pathway into clinical development stage. This includes preparation of PRP for a Phase 1b First-In-Human study in –up to 50 advanced cancer patients suffering from solid tumors. Preparatory activities include the identification and selection of a GMP manufacturer to produce the finished drug product for the upcoming study, initiation of method development and validation of a pharmacokinetics method to analyze PRP in human serum and finalization of the clinical trial synopsis as well as future forecast compound demand required for GMP manufacture for the Phase 1B study. The Company also initiated a further two-year extension of the POP1 research program for the evaluation of a senescence-modulating (i.e., anti-aging) compound using proenzyme technology to mitigate senescence and to complete experiments to further support the claims of recently filed fibrosis and cancer-related patent applications.

Interest Expense

Interest expense decreased to $18,244 for the three months ended September 30, 2026, as compared to $305,649 for the three months ended September 30, 2025. Interest expense is primarily comprised of approximately $600 of debt discount amortization and interest expense of $9,500 from accrual of interest expense related to loans payable – related parties and other financing fees for the three months ended September 30, 2026.

This decrease in interest expense during the three months ended September 30, 2026 of approximately $287,000 is primarily attributable to the decrease in amortization of debt discount of approximately $150,000, decrease in accretion of put premium of approximately $37,000, decrease in default and prepayment penalty fees of approximately $53,000 and offset by decrease of approximately $47,000 in interest expense from accrual of interest expense and other financing fee.

Change in Fair Value of Derivative Liabilities

Change in fair value of derivative liabilities decreased to $0 for the three months ended September 30, 2026 as compared to a loss of $19,706 for the three months ended September 30, 2025. The decrease for the three months period, is primarily attributable to the decrease in fair value of the principal amount of convertible notes with bifurcated embedded conversion option derivatives as a result of the repayment and conversion of all convertible debts during fiscal 2026.

Gain on Extinguishment of Debt, net

During the three months ended September 30, 2026, there was $0 gain on extinguishment of debt as compared to $195,861for the three months ended September 30, 2025. This change is primarily attributable to the decrease in fair value of the principal amount of convertible notes with bifurcated embedded conversion option derivatives as a result of the repayment and conversion of all convertible debts during fiscal 2026.

Settlement Expense

Settlement expense increased to $20,000 for the three months ended September 30, 2026 as compared to $0 for the three months ended September 30, 2025. The increase is primarily attributable to the following:

On January 23, 2026, we entered into a settlement agreement and release with an underwriter pursuant to which we agreed that, during the 360-day period following the public offering (the "Lock-up Period"), we would not, without the prior consent of the underwriter, offer or sell any securities or file any registration statement with the Commission relating to the offering of any shares. Under the terms of the settlement agreement, we paid $20,000 as settlement fee.

Foreign Currency Transaction Gain (Loss)

Foreign currency transaction gain (loss) increased to a gain of $18,573 for the three months ended September 30, 2026 as compared to $(34,699) for the three months ended September 30, 2025. The overall decrease is partially attributable to the increase in exchange rates during the three months ended September 30, 2026.

Net loss

Net loss increased to $8,588,159 for the three months ended September 30, 2026 as compared to a net loss of $4,837,738 for the three months ended September 30, 2025. The change relates to the factors discussed above.

Net loss available to common stockholders

Net loss available to common stockholders increased to $8,588,159 for the three months ended September 30, 2026 as compared to a net loss available to common stockholders of $4,837,738 for the three months ended September 30, 2025. The change relates to the factors discussed above.

Liquidity and Capital Resources

Current Financial Condition

As of September 30, 2026, we had total assets of $10,326,735, comprised primarily of cash of $258,366, GST tax receivable of $12,359, prepaid expenses – current portion of $7,674,443, other current assets of $52,926, security deposit of $2,085, operating lease ROU asset, net of $34,986, prepaid expenses – long-term of $2,287,540 and fixed assets of $4,030. As compared to June 30, 2026, we had total assets of $12,779,912, comprised primarily of cash of $832,006, GST tax receivable of $13,694, prepaid expenses – current portion of $7,661,967, other current assets of $34,923, security deposit of $2,074, operating lease ROU asset, net of $40,790, property and equipment, net of $3,915 and prepaid expenses – long-term of $4,190,543.

We had current liabilities of $3,240,023, primarily comprised of accounts payable, accrued expenses and accrued interest of $2,078,581, employee benefit liability of $770,910, loans payable – related party of $364,801, and operating lease liability of $25,731 as of September 30, 2026. As compared to June 30, 2026, $3,354,433, primarily comprised of accounts payable and accrued expenses of $2,115,097, employee benefit liability of $754,038, loans payable – related party of $460,809, and operating lease liability of $24,489.

We have funded our operations primarily through the issuance of equity and/or convertible securities for cash. The cash was used primarily for repayment of debt and payments for research and development, administration expenses, occupancy expenses, professional and consulting fees, and travel.

During the three months ended September 30, 2026 we received proceeds from exercise of Series C warrants of $2,000,000.

We have substantial capital resource requirements and have incurred significant losses since inception. As of September 30, 2026, we had $258,366 in cash. We depend upon debt and/or equity financing to fund our ongoing operations and to execute our current business plan. Such capital requirements are in excess of what we have in available cash and for which we currently have commitments. Therefore, we presently do not have enough available cash to meet our obligations over the next 12 months. If continued funding and capital resources are unavailable at reasonable terms, we may curtail our plan of operations. We will be required to obtain alternative or additional financing from financial institutions, investors or otherwise, in order to maintain and expand our existing operations. The failure by us to obtain such financing would have a material adverse effect upon our business, financial condition and results of operations, and adversely affecting our ability to complete ongoing activities in connection with our research and development programs.

Sources and Uses of Cash

	For the three months ended September 30,	
	2026	**2025**
Net cash used in operating activities	$ (1,970,250)	$ (1,939,067)
Net cash used in investing activities	$ -	$ (2,491)
Net cash provided by financing activities	$ 1,404,124	$ 2,526,772
Effect of exchange rate changes on cash	$ (7,514)	$ 5,435

Net Cash Flow from Operating Activities

Net cash used in operating activities was $1,970,250 for the three months ended September 30, 2026, due to our net loss of $8,588,159 offset primarily non-cash charges of amortization of debt discount of $644, total stock-based expenses of $6,726,989, addback foreign currency transaction gain of $18,573. Net changes in operating assets and liabilities totaled $97,528, which is primarily attributable to an increase in prepaid expenses and other current assets of $59,279, increase in accounts payable of $24,850, and decrease in accrued expenses and other payables of $62,127.

Net cash used in operating activities was $1,939,067 for the three months ended September 30, 2025, due to our net loss of $4,837,738 offset primarily non-cash charges of amortization of debt discount of $150,902, accretion of put premium of $37,450, non-cash interest expense of $4,906, total stock-based expenses of $3,750,853, foreign currency transaction loss of $34,699, and change in fair value of derivatives of $19,706 addback gain from extinguishment of debt of $195,862. Net changes in operating assets and liabilities totaled $907,686, which is primarily attributable to an increase in prepaid expenses of $362,329, decrease in accounts payable of $186,804, and decrease in accrued expenses and other payables of $361,479.

Net Cash Flow from Investing Activities

Net cash used in investing activities was $0 for the three months ended September 30, 2026, as compared to $2,491 for the three months ended September 30, 2025, related to purchase of equipment.

Net Cash Flow from Financing Activities

Net cash provided by financing activities for the three months ended September 30, 2026 was $1,404,124. During the three months ended September 30, 2026 we received net proceeds from exercise of Series C warrants of $2,000,000, offset by purchase of treasury shares of $499,224 and repayment of loans payable – related party of $96,652.

Net cash provided by financing activities for the three months ended September 30, 2025 was $2,526,772. During the three months ended September 30, 2025 we received net proceeds from sales of our common stock for $3,314,458, proceeds from issuance of notes of $175,000 and proceeds from issuance of loan from related parties of $78,249 offset by repayment of notes of $875,127 and loans payable – related party of $150,808, and deferred offering cost of $15,000.

Effect of Exchange Rate

The effect of the exchange rate on cash resulted in a $7,514 negative adjustment to cash flows in the three months ended September 30, 2026 as compared to a $5,435 positive adjustment to cash flows in the three months ended September 30, 2025. The reason for the fluctuation is due to the application of currency translation rates throughout the cash flow statement, the volume of transactions within each period and the daily fluctuation in exchange rates.

Critical Accounting Estimates

Below is a discussion of our more subjective accounting estimation processes for purposes of explaining (i) the methodology used in calculating the estimates, (ii) the inherent uncertainties pertaining to such estimates, and (iii) the possible effects of a significant variance in actual experience, from that of the estimate, on our financial condition. Estimates involve numerous assumptions that, if incorrect, could create a material adverse impact on the Company's results of operations and financial condition.

Reference is frequently made herein to the Financial Accounting Standards Board (the "FASB") Accounting Standards Codification ("ASC"). This is the source of authoritative US GAAP recognized by the FASB to be applied to non-governmental entities. Each ASC reference in this filing is presented with a three-digit number, which represents its Topic. As necessary for explanation and as applicable, an ASC topic may be followed with a two-digit subtopic, a two-digit section or a two-or-three-digit paragraph.

Derivative Instruments: ASC 815, "Derivatives and Hedging," establishes accounting and reporting standards for derivative instruments and for hedging activities by requiring that all derivatives be recognized in the balance sheet and measured at fair value. Gains or losses resulting from changes in the fair value of derivatives are recognized in earnings. On the date of conversion, or payoff, of debt, we record the fair value of the conversion shares, remove the fair value of the related derivative liability, remove any discounts and record a net gain or loss on debt extinguishment.

Warrant Liability: The Company accounted for the Series C warrants issued in November 2025, in accordance with the guidance contained in ASC 815 "Derivatives and Hedging" whereby under that provision these warrants do not meet the criteria for equity treatment and must be recorded as a liability. Accordingly, the Company classified these warrant instruments as liabilities at fair value and adjusts the instruments to fair value at each reporting period. This liability was re-measured at each balance sheet date until the warrants are exercised or expire, and any change in fair value will be recognized in the Company's statement of operations. The fair value of these warrants was estimated using a Monte Carlo simulation model. Such warrant classification was also subject to re-evaluation at each reporting period.

Series C Preferred Stock Subject to Possible Redemption: The Company accounted for its Series C Convertible Preferred Stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity." Conditionally redeemable Series C Preferred stock that features mandatory redemption rights not solely within the Company's control is classified as temporary equity. The Company's Series C Preferred stock features certain redemption rights that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, Series C preferred stock subject to possible redemption was presented at redemption value as temporary equity, outside of the stockholders' equity section of the Company's consolidated balance sheets.

Prepaid expenses – current portion and long-term portion consist primarily of costs paid for future services which will occur between 1 month to three years. Prepaid expenses principally include prepayments in fully vested, non-forfeitable equity instruments for general consulting, investor relations, and business advisory services, which are being amortized over the terms of their respective agreements.

Recent Accounting Pronouncements

Please see section captioned "Recent Accounting Pronouncements" in Note 1 to our unaudited condensed consolidated financial statements included in this Quarterly Report for a discussion of recently issued and adopted accounting pronouncements.

Going Concern Qualification

We did not generate any revenue for the three months ended September 30, 2026 and 2025 and have incurred significant losses and cash used in operations, and such losses and use of cash are expected to continue. Our independent registered public accounting firm has included a "Going Concern Qualification" in their audit report for each of the fiscal years ended June 30, 2026 and 2025. In addition, we have negative working capital and convertible debt that is past maturity that we are currently negotiating with lenders in order to amend the maturity dates. The foregoing raises substantial doubt about our ability to continue as a going concern for a period of 12 months from the issue date of this report. Our ability to continue as a going concern is dependent on our ability to execute our strategy and on our ability to raise additional funds and/or to consummate a public offering. Management is currently seeking additional funds, primarily through the issuance of equity and/or debt securities for cash to operate our business. No assurance can be given that any future financing will be available or, if available, that it will be on terms that are satisfactory to us. Even if we are able to obtain additional financing, it may contain undue restrictions on our operations, in the case of debt financing or cause substantial dilution for our stockholders, in case of equity and/or convertible debt financing. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. The "Going Concern Qualification" might make it substantially more difficult to raise capital.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable to smaller reporting companies.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure based closely on the definition of "disclosure controls and procedures" in Rule 15d-15(e) under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

At the end of the period covered by this Quarterly Report, we conducted an evaluation (the "Evaluation"), under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2026, the disclosure controls and procedures of our Company were not effective to ensure that the information required to be disclosed in our Exchange Act reports was recorded, processed, summarized and reported on a timely basis due to the material weaknesses in financial reporting as discussed below.

Material Weaknesses and Corrective Actions

The framework used by management in making that assessment was the criteria set forth in the document entitled "2013 Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission, ("COSO"). In connection with the audits of our financial statements for the fiscal years ended June 30, 2026 and 2025, we identified certain deficiencies relating to our internal control over financial reporting that constitute a material weakness under standards established by the Public Company Accounting Oversight Board (the "PCAOB"). A material weakness is a deficiency, or a combination of deficiencies, within the meaning of PCAOB Audit Standard No. 5, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

The following material weaknesses in our internal control over financial reporting continued to exist at September 30, 2026:

- we do not have written documentation of our internal control policies and procedures. Written documentation of key internal controls over financial reporting is a requirement of Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");

- we do not have sufficient segregation of duties within accounting functions, which is a basic internal control. Due to our limited size and early-stage nature of operations, segregation of all conflicting duties may not always be possible and may not be economically feasible; however, to the extent possible, the initiation of transactions, the custody of assets and the recording of transactions should be performed by separate individuals.

We believe that these material weaknesses primarily relate, in part, to the lack of robust accounting systems.

We plan to take several actions to correct these material weaknesses including, but not limited to, adding experienced accounting and financial personnel and retaining third-party consultants to review our internal controls and recommend improvements. We have also defined the chief financial officer's role as full-time as the next step in building our accounting department. We will need to take additional measures to fully mitigate these issues, and the measures we have taken, and expect to take, to improve our internal controls may not be sufficient to (1) address the issues identified, (2) ensure that our internal controls are effective or (3) ensure that the identified material weakness or other material weaknesses will not result in a material misstatement of our annual or interim financial statements. In addition, other material weaknesses may be identified in the future. If we are unable to correct deficiencies in internal controls in a timely manner, our ability to record, process, summarize and report financial information accurately and within the time periods specified in the rules and forms of the SEC will be adversely affected. This failure could negatively affect the market price and trading liquidity of our Common Stock, cause investors to lose confidence in our reported financial information, subject us to civil and criminal investigations and penalties, and generally materially and adversely impact our business and financial condition.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, or proceeding by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or our subsidiary, threatened against or affecting our Company, our common stock, our subsidiary or of our companies or our subsidiary's officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 1A. Risk Factors.

We are not required to provide this information as we are a smaller reporting company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On July 24, 2026, the Company issued an aggregate of 350,000 shares of common stock to certain officers, an employee, directors and consultants for services rendered in July 2026. Those shares were valued at approximately $13.7 per share or $4,795,000, being the closing price of the stock on the date of grant.

Except as otherwise noted, the securities in the transactions described above were sold in reliance on the exemption from registration provided in Section 4(a)(2) of the Securities Act and/or Rule 506(b) promulgated thereunder, as there was no general solicitation to the investors and the transactions did not involve any public offering. All certificates evidencing the shares sold bore a restrictive legend. No underwriter participated in the offer and sale of these securities, and no commission or other remuneration was paid or given directly or indirectly in connection therewith. The proceeds from these sales were used for general corporate purposes.

Item 3. Defaults Upon Senior Securities.

As of September 30, 2026, we were in default under certain loans to related parties amounting $364,801 and accrued interest of $118,928, as of September 30, 2026, subsequent to their maturity date. We are currently in discussions with such lender to extend such maturity date. See "Note 5 and 6" to our unaudited condensed consolidated financial statements in Part I of this Quarterly Report for additional information.

Item 4. Mine Safety Disclosures.

Not Applicable.

Item 5. Other Information.

There is no other information required to be disclosed under this item which has not been previously disclosed.

Item 6. Exhibits.

Exhibit Number	Description
31.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14a or 15d-14(a) under the Securities Exchange Act of 1934, as amended, and adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the 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	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
s101.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 - the cover page from the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, is formatted in Inline XBRL.

* Filed herewith.

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.

PROPANC BIOPHARMA, INC.

Dated: November 13, 2026

By: */s/ James Nathanielsz*
Name: James Nathanielsz
Title: Chief Executive Officer,
(Principal Executive Officer)

Dated November 13, 2026

By: */s/ Jeannine Zimmerman*
Name: Jeannine Zimmerman
Title: Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13A-14A OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, James Nathanielsz, certify that:

1. I have reviewed this Form 10-Q of Propanc Biopharma, Inc. for the period ended September 30, 2026;

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 small business issuer 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 controls 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly for the period in which this quarterly report is being prepared;
b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our 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 our 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;
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;

5. I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 13, 2026

By: */s/ James Nathanielsz*
James Nathanielsz
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13A-14A OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, Jeannine Zimmerman, certify that:

1. I have reviewed this Form 10-Q of Propanc Biopharma, Inc. for the period ended September 30, 2026;

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 small business issuer 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 controls 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly for the period in which this quarterly report is being prepared;
b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our 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 our 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;
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;

5. I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 13, 2026

By: */s/ Jeannine Zimmerman*
Jeannine Zimmerman
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF THE 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.

In connection with the Quarterly Report on Form 10-Q of Propanc Biopharma, Inc. (the "Company") for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Nathanielsz, 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 to the best of my knowledge:

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 result of operations of the Company.

Date: November 13, 2026

/s/ James Nathanielsz

James Nathanielsz
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION OF THE 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.

In connection with the Quarterly Report on Form 10-Q of Propanc Biopharma, Inc. (the "Company") for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeannine Zimmerman, Chief Financial 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 to the best of my knowledge:

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 result of operations of the Company.

Date: November 13, 2026

/s/ Jeannine Zimmerman
Jeannine Zimmerman
Chief Financial Officer
(Principal Financial Officer)