
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**



FORM 10-Q

(MARK ONE)

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

For the quarterly period ended September 30, 2025

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 000-55470

CQENS Technologies Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

27-1521407

(I.R.S. Employer
Identification No.)

5550 Nicollet Avenue, Minneapolis, MN

(Address of principal executive offices)

55419

(Zip code)

(612) 812-2037

(Registrant's telephone number, including area code)

not applicable

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

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
None	not applicable	not applicable

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

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

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

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☒

Emerging growth company ☐

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

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

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date. 27,516,052 shares of common stock are issued and outstanding as of November 12, 2025.

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This report includes forward-looking statements that relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Words such as, but not limited to, “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “targets,” “likely,” “aim,” “will,” “would,” “could,” and similar expressions or phrases identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and future events and financial trends that we believe may affect our financial condition, results of operation, business strategy and financial needs. Forward-looking statements include, but are not limited to, statements about:

- financial risks, including:
 - our history of losses, lack of revenues and insufficient working capital;
 - our ability to continue as a going concern;
 - our ability to raise capital;
- business risks, including:
 - our limited operating history and lack of products;
 - the lack of operating history of Leap Technology LLC;
 - the joint venture with the Barker Group/Firebird Manufactures remains to be finalized;
 - potential conflicts of interest of our management;
 - reliance on third parties;
 - potential FDA oversight;
 - lack of marketing and distributing experience;
 - possible inability to establish and maintain strategic partnerships;
 - possible dependence on licensing or collaboration agreements;
- risks relating to our common stock, including:
 - the lack of a public market for our common stock; and
 - possible impact of Delaware’s anti-takeover statutes on our shareholders.

You should read thoroughly this report and the documents that we refer to herein with the understanding that our actual future results may be materially different from and/or worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements, Part 1. Item 1A. Risk Factors appearing in our Annual Report on Form 10-K for the year ended December 31, 2024 as filed on March 31, 2025 (the “2024 10-K”) and our other filings with the Securities and Exchange Commission. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Except for our ongoing obligations to disclose material information under the Federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. These forward-looking statements speak only as of the date of this report, and you should not rely on these statements without also considering the risks and uncertainties associated with these statements and our business.

OTHER PERTINENT INFORMATION

Unless specifically set forth to the contrary, when used in this report the terms “CQENS,” “we,” “our,” “us,” and similar terms refer to CQENS Technologies Inc., a Delaware corporation. In addition, “third quarter of 2025” refers to the three months ended September 30, 2025, “third quarter of 2024” refers to the three months ended September 30, 2024, “2025” refers to the year ended December 31, 2025, and “2024” refers to the year ended December 31, 2024. The information which appears on our web site at www.cqens.com is not part of this report.

PART 1 – FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

CQENS Technologies, Inc. Consolidated Balance Sheets (Unaudited)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 9,243,579	\$ 4,596,556
Prepaid expenses	97,224	109,137
Total Current Assets	<u>9,340,803</u>	<u>4,705,693</u>
Intellectual property, net	1,617,321	1,386,720
Right-of-use asset - lease, net	105,711	21,979
Leasehold improvement, net	-	2,092
Prepaid expenses - noncurrent portion	2,263,318	1,315,784
TOTAL ASSETS	<u><u>\$ 13,327,153</u></u>	<u><u>\$ 7,432,268</u></u>
LIABILITIES & STOCKHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 170,236	\$ 961,887
Accrued expenses	188,385	279,138
Related party loan	1,028,657	1,016,714
Investor deposits	10,000	850,000
Current portion of lease liability	65,252	21,979
Total Current Liabilities	<u>1,462,530</u>	<u>3,129,718</u>
Lease liability, net of current portion	40,459	-
TOTAL LIABILITIES	<u>1,502,989</u>	<u>3,129,718</u>
STOCKHOLDERS' EQUITY		
Preferred Stock: \$0.0001 par value; 10,000,000 shares authorized; no shares issued and outstanding at September 30, 2025 and December 31, 2024	-	-
Common Stock: \$0.0001 par value; 200,000,000 shares authorized; 27,408,052 shares issued and outstanding at September 30, 2025 and 26,828,383 shares issued and outstanding at December 31, 2024	2,741	2,683
Additional paid-in capital	52,186,856	39,068,448
Non-controlling interests	(21,394)	(4,747)
Accumulated other comprehensive loss	(24)	(40)
Accumulated deficit	(40,344,015)	(34,763,794)
TOTAL STOCKHOLDERS' EQUITY	<u>11,824,164</u>	<u>4,302,550</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u><u>\$ 13,327,153</u></u>	<u><u>\$ 7,432,268</u></u>

See accompanying notes to unaudited consolidated financial statements

CQENS Technologies, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Operating Expenses				
General and administrative	\$ 282,368	\$ 319,435	\$ 909,627	\$ 885,870
Research and development	412,760	325,685	1,236,336	1,048,081
Professional fees	524,889	5,073,658	3,685,042	5,672,598
Total Operating Expenses	1,220,017	5,718,778	5,831,005	7,606,549
Total Operating Loss	(1,220,017)	(5,718,778)	(5,831,005)	(7,606,549)
Other Income	70,857	9,522	234,121	6,352
Net Loss	(1,149,160)	(5,709,256)	(5,596,884)	(7,600,197)
Net loss attributable to non-controlling interests	(938)	(3,141)	(16,663)	(4,795)
Net Loss attributable to CQENS Technologies, Inc	<u>\$ (1,148,222)</u>	<u>\$ (5,706,115)</u>	<u>\$ (5,580,221)</u>	<u>\$ (7,595,402)</u>
Basic and diluted loss per common share	<u>\$ (0.04)</u>	<u>\$ (0.21)</u>	<u>\$ (0.20)</u>	<u>\$ (0.29)</u>
Basic and diluted weighted average shares outstanding	<u>27,407,748</u>	<u>26,551,519</u>	<u>27,287,409</u>	<u>26,327,603</u>
Comprehensive Loss:				
Change in foreign currency translation adjustments	(368)	(30)	32	(68)
Comprehensive Loss:	(1,149,528)	(5,709,286)	(5,596,852)	(7,600,265)
Comprehensive loss attributable to non-controlling interests	(1,122)	(3,156)	(16,647)	(4,829)
Comprehensive loss attributable to CQENS Technologies, Inc.	<u>\$ (1,148,406)</u>	<u>\$ (5,706,130)</u>	<u>\$ (5,580,205)</u>	<u>\$ (7,595,436)</u>

See accompanying notes to unaudited consolidated financial statements

CQENS Technologies, Inc
Consolidated Statements of Changes in Stockholders' Equity
For the nine months ended September 30, 2025 and 2024
(Unaudited)

	Common Stock				Accumulated			
	Number of	\$0.0001	Additional	Accumulated	Other	Total	Non-	Total
	Shares	Par	Paid in	Deficit	Comprehensive		controlling	
		Value	Capital		Loss		Interest	
Balance, June 30, 2025	27,407,052	\$ 2,741	\$51,806,178	\$(39,195,793)	\$ 160	\$12,613,286	\$ (20,272)	\$12,593,014
Common stock issued for cash	1,000	-	20,000	-	-	20,000	-	\$ 20,000
Stock options expense	-	-	360,678	-	-	360,678	-	\$ 360,678
Other comprehensive loss	-	-	-	-	(184)	(184)	(184)	\$ (368)
Net consolidated loss				(1,148,222)		(1,148,222)	(938)	\$ (1,149,160)
Balance, September 30, 2025	27,408,052	\$ 2,741	\$52,186,856	\$(40,344,015)	\$ (24)	\$11,845,558	\$ (21,394)	\$11,824,164
	Common Stock				Accumulated			
	Number of	\$0.0001	Additional	Accumulated	Other	Total	Non-	Total
	Shares	Par	Paid in	Deficit	Comprehensive		controlling	
		Value	Capital		Loss		Interest	
Balance, December 31, 2024	26,828,383	\$ 2,683	\$39,068,448	\$(34,763,794)	\$ (40)	\$ 4,307,297	\$ (4,747)	\$ 4,302,550
Common stock issued for cash	519,500	52	10,389,948	-	-	10,390,000	-	\$10,390,000
Common stock issued for services	60,169	6	1,203,374	-	-	1,203,380	-	\$ 1,203,380
Stock options expense	-	-	1,525,086	-	-	1,525,086	-	\$ 1,525,086
Other comprehensive loss	-	-	-	-	16	16	16	\$ 32
Net consolidated loss	-	-	-	(5,580,221)	-	(5,580,221)	(16,663)	\$ (5,596,884)
Balance, September 30, 2025	27,408,052	\$ 2,741	\$52,186,856	\$(40,344,015)	\$ (24)	\$11,845,558	\$ (21,394)	\$11,824,164
	Number of	\$0.0001	Additional	Accumulated	Accumulated	Total	Non-	Total
	Shares	Par	Paid in	Deficit	Other		controlling	

		Value	Capital		Comprehensive Loss		Interest	
Balance, June 30, 2024	<u>26,391,383</u>	<u>\$ 2,639</u>	<u>\$29,532,136</u>	<u>\$(25,745,726)</u>	<u>\$ (19)</u>	<u>\$ 3,789,030</u>	<u>\$ (1,159)</u>	<u>\$ 3,787,871</u>
Common stock issued for cash	61,750	7	1,234,993	-	-	1,235,000	-	\$ 1,235,000
Common stock issued for services	226,250	23	4,524,977	-	-	4,525,000	-	\$ 4,525,000
Stock options expense	-	-	309,406	-	-	309,406		\$ 309,406
Other comprehensive loss	-	-	-	-	(15)	(15)	(15)	\$ (30)
Net consolidated loss	-	-	-	(5,706,115)	-	(5,706,115)	(3,141)	\$(5,709,256)
Balance, September 30, 2024	<u>26,679,383</u>	<u>\$ 2,669</u>	<u>\$35,601,512</u>	<u>\$(31,451,841)</u>	<u>\$ (34)</u>	<u>\$ 4,152,306</u>	<u>\$ (4,315)</u>	<u>\$ 4,147,991</u>
	Common Stock				Accumulated Other Comprehensive Loss	Total	Non- controlling Interest	Total
	Number of Shares	\$0.0001 Par Value	Additional Paid in Capital	Accumulated Deficit				
Balance, December 31, 2023	<u>26,174,520</u>	<u>\$ 2,618</u>	<u>\$24,799,273</u>	<u>\$(23,856,439)</u>	<u>\$ -</u>	<u>\$ 945,452</u>	<u>\$ 514</u>	<u>\$ 945,966</u>
Common stock issued for cash	265,400	27	5,307,973	-	-	5,308,000	-	\$ 5,308,000
Common stock issued for services	239,463	24	4,789,236	-	-	4,789,260	-	\$ 4,789,260
Stock options expense	-	-	705,030	-	-	705,030	-	\$ 705,030
Other comprehensive loss	-	-	-	-	(34)	(34)	(34)	\$ (68)
Net consolidated loss	-	-	-	(7,595,402)	-	(7,595,402)	(4,795)	\$(7,600,197)
Balance, September 30, 2024	<u>26,679,383</u>	<u>\$ 2,669</u>	<u>\$35,601,512</u>	<u>\$(31,451,841)</u>	<u>\$ (34)</u>	<u>\$ 4,152,306</u>	<u>\$ (4,315)</u>	<u>\$ 4,147,991</u>

See accompanying notes to unaudited consolidated financial statements

CQENS Technologies Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	Nine months ended September 30, 2025	2024
Cash flows from operating activities		
Net loss	\$ (5,596,884)	\$ (7,600,197)
Adjustments to reconcile net loss to net cash used in operations:		
Amortization expense	116,028	91,585
Lease expense	49,005	41,587
Depreciation expense	-	15,111
Stock options expense	1,525,086	705,030
Common stock issued for services	1,203,380	4,684,260
Changes in operating assets and liabilities:		
Prepaid expenses	11,913	(62,779)
Prepaid expenses - noncurrent portion	(1,737,065)	(27,845)
Accounts payable	(2,120)	22,229
Lease liability	(49,005)	(41,587)
Accrued expenses	(90,753)	105,011
Net cash used in operating activities	(4,570,415)	(2,067,595)
Cash flows from investing activities		
Additions to intellectual property	(344,537)	(228,896)
Net cash used in investing activities	(344,537)	(228,896)
Cash flows from financing activities		
Proceeds from issuance of common stock	9,540,000	5,308,000
Investor Deposits	10,000	300,000
Repayment of related party loan	(50,000)	-
Borrowing from related parties	61,943	112,359
Net cash provided by financing activities	9,561,943	5,720,359
Effect of exchange rate changes on cash	32	(68)
Net change in cash and cash equivalents	4,647,023	3,423,800
Cash and cash equivalents, beginning of period	4,596,556	350,565
Cash and cash equivalents, end of period	<u>\$ 9,243,579</u>	<u>\$ 3,774,365</u>
Supplementary disclosure for noncash activities:		
Right-of-use asset in exchange for lease liability	\$ 132,737	\$ -
Common stock issued for future services	<u>\$ -</u>	<u>\$ 105,000</u>

See accompanying notes to unaudited consolidated financial statements

CQENS Technologies, Inc.
Notes to Consolidated Financial Statements
September 30, 2025
(Unaudited)

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF BASIS OF PRESENTATION

Nature of Business

CQENS Technologies, Inc. (“we”, “our”, the “Company”, “CQENS”) is a technology company with a proprietary method of heating plant-based consumable formulations that produce an aerosol that lead to the effective and efficient inhalation of the plant’s constituents. This is accomplished at a high temperature but without the accompanying constituents of combustion. Our system of heating is a high temperature, non-combustion system. Our Heat-not-Burn Tobacco Product (HTP) system is a patent-pending method of heating plant-based consumables for inhalation that is superior to other methods of ingestion, smoking, vaping, swallowing or via topical application.

On December 20, 2023, we entered into a Shareholder Agreement with Asahi Corporation to establish CQENS Electronics (Hong Kong) Limited (“CEL”), a Hong Kong company, for design, development and manufacture of our heat-not-burn device (“Device”). CQENS acquired 50% membership of CEL and holds majority of the board seats including the chair. Pursuant to the establishment of CEL, CQENS entered into an exclusive, worldwide License Agreement with CEL for designing and manufacturing a consumer device consistent with our IP. CEL activities are included in our unaudited consolidated financial statements.

Our business model is further dependent upon our ability to enter into additional strategic partnerships in the future, including alliances or joint ventures with consumer product companies, to enhance and accelerate the development and commercialization of our proposed products. We will be dependent upon third party marketing and distribution companies. We believe that our business opportunities are international in nature and include potential partnerships in the UK, the EU and Asia, including the People’s Republic of China. Recent US and international concerns with the possibility of international manufacturing and trade being disrupted by the threat or the imposition of tariffs could have a negative effect on our plans of operations.

Basis of Presentation

Basis of Presentation - The following unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Accordingly, such interim consolidated financial statements do not include all the information and footnotes required by accounting principles generally accepted in the United States (“GAAP”) for complete annual consolidated financial statements. The information furnished reflects all adjustments, consisting only of normal recurring items which are, in the opinion of management, necessary in order to make the consolidated financial statements not misleading. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year. The balance sheet as of September 30, 2025, has been derived from the Company’s annual consolidated financial statements that were audited by our independent registered public accounting firm but does not include all of the information and footnotes required for complete annual consolidated financial statements. These consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto which are included in our Annual Report on Form 10-K for the year ended December 31, 2024, and filed with the SEC on March 31, 2025, for a broader discussion of our business and the risks inherent in such business.

Segment Information - In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures,” which introduced new guidance for improving disclosures about a public entity’s reporting segments to provide, when applicable, more detailed information about a reportable segment’s expenses. This standard was effective for the Company as of January 1, 2024. The senior management team consisting of the CEO, CFO and COO collectively are identified as the Chief Operating Decision Maker (CODM). The CODM, for the Company, has determined, consistent with the guidance in ASC 280 paragraph 280-10-50-1, that CQENS Technologies and its subsidiary, CQENS Electronics (Hong Kong) Limited (“CEL”), are a single operating and reporting segment. The CODM has chosen to organize the Company around differences in products and services. CQENS and CEL are focused on research and development of our HnB technology and on production and commercialization of this same technology. The CODM evaluates the Company’s financial information and resources and assesses the performance of these resources on a consolidated and aggregate basis. Accordingly, the Company has determined that it operates in one operating and reportable segment. The Company internally reports the following segment financial information, on a consolidated basis, to the CODM: research and development expenses and professional fees, are the key contributors used to measure the reported losses used by the CODM to assess performance and allocate resources and is presented on the consolidated statements of operations and comprehensive loss. There are no segment operating expenses that require

disclosure beyond the expense categories presented on the consolidated statements of operations and comprehensive loss. The measure of segment assets is reported on the consolidated balance sheets as total assets. As a result, there are no additional disclosures required and no impact to our financial statements at adoption.

CQENS and its subsidiary CEL are organized currently with a singular focus on research and development of our HnB technology and on production and commercialization of this same technology. During the first nine months of 2025 no additional disclosures are required and there is no impact to our financial statements for this reporting period.

Recent Accounting Pronouncements - On November 4, 2024, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2024-03 which issues new guidance requiring disclosure of the disaggregation of income statement expenses (DISE) by public business entities (PBE's) and is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods after December 15, 2027.

Early adoption is permitted. The Company is currently evaluating the impact of adopting the standard.

The Company does not believe that any other recently issued effective pronouncements, or pronouncements issued but not yet effective, if adopted, would have a material effect on the accompanying consolidated financial statements.

Reclassification – Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

NOTE 2 – GOING CONCERN

The Company's consolidated financial statements are prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP") applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Currently, the Company has recurring losses, with cash resources expected to be substantially depleted over the next 12 months, with renewed research and development efforts and with no source of revenue sufficient to cover its operations costs over the next 12 months, these may not allow it to continue as a going concern. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company will be dependent upon the raising of additional capital. The consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

NOTE 3 – STOCKHOLDERS' EQUITY

On June 16, 2025, the Company granted stock options under the Company's 2019 Equity Compensation Plan to a third party for services to purchase 20,000 shares at \$20.00 per share. These options were exercisable immediately. The fair market value of the options at the grant date was determined to be \$255,303, which was expensed in the second quarter of 2025. The options were valued using the Black Scholes option pricing model with the following assumptions: 1) a current stock price per share of \$20.00, based on the price of recent offerings; 2) expected term of 5 years; 3) computed volatility of 75.10%; and 4) the risk-free rate of return of 4.04%. The exercise period of the options terminates on June 16, 2030.

On July 2, 2025, under the Company's 2019 Equity Compensation Plan, CQENS granted options to purchase a combined total of 2,450 shares at \$20.00 per share to four unrelated individuals for services rendered. These options were exercisable immediately. The fair market value of the options on the grant date was determined to be \$30,748. The options were valued using the Black Scholes option pricing model with the following assumptions: 1) a current stock price per share of \$20.00, based on the price of recent offerings; 2) expected term of 5 years; 3) computed volatility of 72.54%; and, 4) the risk free rate of return of 3.87%. The exercise period of the options terminates on July 2, 2030.

In the first nine months of 2025, we sold 519,500 shares of our common stock for \$10,390,000 in private transactions. We did not pay commissions or finder's fees and are using the proceeds for working capital.

In the first nine months of 2025, we issued 60,169 shares of our common stock to unrelated third parties as compensation for their consulting services. The stock was valued at \$1,203,380.

In the first nine months of 2024, we issued 265,400 shares of our common stock for \$5,308,000 in private transactions. We did not pay commissions or finder's fees and are using the proceeds for working capital.

In the first nine months of 2024, we issued 12,500 shares valued at \$250,000 as a retainer pursuant to our engagement of Anglo-Chinese Financial as our investment banker.

In the first nine months of 2024, we issued 226,963 shares of our common stock to unrelated third parties as compensation for their consulting services. The stock was valued at \$4,539,260.

In the first nine months of 2025, stock option expenses amounted to \$1,525,086 compared to \$705,030 for the same period in 2024.

As of September 30, 2025, the Company had 27,408,052 shares of common stock issued and outstanding.

The following table represents option activity for the nine months ended September 30, 2025:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Outstanding - December 31, 2024	1,851,074	\$ 9.82	3.49	
Exercisable - December 31, 2024	1,357,574	\$ 8.99	2.50	\$ -
Granted	22,450	\$		
Forfeited	-			
Vested		-		
Outstanding – September 30, 2025	1,873,524	\$ 9.94	2.77	
Exercisable – September 30, 2025	1,547,524	\$ 9.93	2.05	\$ -

NOTE 4 – RELATED PARTY TRANSACTIONS

We maintain our corporate offices at 5550 Nicollet Avenue, Minneapolis, MN 55419. We lease the premises on a month-to-month basis from 5550 Nicollet LLC, a company owned by Mr. Chong. Rent for the first nine months of 2025 was \$7,200 compared to \$6,975 in the first three quarters of 2024. As of September 30, 2025, there was no outstanding balance.

In the first three quarters of 2025, the Company repaid \$50,000 to Xten Capital Group, a common control entity, while in the first nine months of 2024, the Company borrowed \$100,000. The balance of the loan on September 30, 2025, is \$950,000. The loan is due upon demand and is non-interest bearing.

In the first nine months of 2025, Liu Mei Chong loaned CQENS Electronics (Hong Kong) Limited (CEL) \$61,943 to fund operations. In the first nine months of 2024 she loaned CEL \$12,359 to fund operations. At September 30, 2025, the loan balance is \$78,657. The loan is due upon demand and is non-interest bearing.

In the first nine months of 2025 we utilized the services of Plexus International, a common control entity, to provide consulting services to assist in the creation and implementation of our Quality Management System (QMS). The fees and expenses incurred for the QMS consulting services during this timeframe were \$87,514.

In August we engaged Plexus International, a common control entity, to provide project management services. The fees for this service is \$5,000 per month. At September 30, 2025, the total fees were \$10,000.

NOTE 5 – LEASES

In March 2022 we entered into a three-year lease agreement commencing April 15, 2022 and continuing through April 30, 2025. In April 2025 we extended the lease for two additional years commencing May 1, 2025 and continuing through April 30, 2027. The annual rate for the initial lease year is 70,785 with installment payments of \$5,555 in May 2025 and \$5,930 each month thereafter. Annual increases are tied to the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for all Urban Consumers for San Francisco-Oakland-San Jose area.

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

We categorized leases with terms longer than twelve months as either operating or finance. Finance leases are generally those leases that would allow us to substantially utilize or pay for the entire asset over its estimated life. Assets acquired under finance leases are recorded in property and equipment, net. All other leases are categorized as operating leases. We did not have any finance leases as of September 30, 2025. Our lease for property is for two years. We elected the accounting policy to include both the lease and non-lease components of our agreements as a single component and account for them as a lease.

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

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

The following table presents the lease-related asset and liability recorded on the balance sheets:

	September 30, 2025
Assets	
Operating lease asset	\$ 105,711
Liabilities	
Current	
Operating lease liabilities	\$ 65,252
Noncurrent	
Operating lease liabilities	\$ 40,459

Supplemental cash flow information related to leases was as follows:

	Nine months Ended September 30, 2025
Cash paid for amounts included in the measurement of lease liabilities	
Right-of-use asset in exchange for lease liability	\$ 132,737
Operating cash flows from operating leases	\$ 49,005

The table below presents the remaining lease terms and discount rates for operating lease:

	September 30, 2025
Weighted-average remaining lease term	
Operating lease	1.6 years
Weighted-average discount rate	
Operating lease	7.75%

Maturities of lease liabilities as of September 30, 2025, were as follows:

	Operating Lease
2025 (three months remaining)	17,790
2026	71,160
Thereafter	23,720
Total lease payments	112,670
Less: amount of lease payments representing interest	(6,959)
Present value future minimum lease payments	\$ 105,711
Less: current obligations under lease	\$ (65,252)
Non-current obligations	\$ 40,459

NOTE 6 - PREPAID EXPENSE – NON-CURRENT PORTION

Effective June 3, 2025, we entered into a manufacturing contract with Montrade S.p.A., Bologna, Italy, to manufacture and install a second machine for the automated manufacture of tobacco consumables for the Company's proprietary, patented and patent pending Heat-not-Burn system. When operational, the Company expects this machine will produce 300 tobacco consumables per minute. Completion of the machine build is anticipated in the third quarter of 2026. We made an initial payment of \$1,016,531 USD. We recorded \$867,482 of this payment as Prepaid Expenses – non-current portion while we expensed \$149,049 in the second quarter. We are required to make additional payments approximating \$1,963,882 USD as certain stages are completed.

Effective July 13, 2022, we entered into our first contract with Montrade to manufacture and install consumable manufacturing equipment capable of producing 100 tobacco consumables per minute. The Company made an initial payment of \$589,265 USD on July 11, 2022 and was required to make additional payments, prior to Amendments, of up to \$1,086,465 USD for the module as certain stages are completed.

On February 23, 2023, we made a payment of \$138,386 for completion of the design phase. On March 29, 2023, the Company signed Amendment 1 to the manufacturing contract for additional design work and paid \$12,465 of the additional \$36,809 cost. Amendment 1 was for design work so \$12,465 was expensed. On October 18, 2023, the Company signed Amendment 2 to the manufacturing contract to modify certain components and paid \$40,091 of the \$114,546 cost.

In 2022, \$130,948 of the initial payment was expensed for design services completed by Montrade. The remaining payment of \$458,317 and the additional payment on October 24, 2023, for Amendment 2 of \$40,091 for a combined total of \$498,408 are related to the manufacturing of the module for the automated manufacture of consumables for the Company's proprietary, patented and patent pending Heat-not-Burn system. The \$498,408 payment is recorded as Prepaid expenses – noncurrent portion. With the two amendments added and with payments made in 2023 the Company will be required to pay up to \$1,046,878. On February 26, 2024, the Company signed Amendment 3 to the manufacturing contract, for a change to a component with a cost of \$27,845 and made payment in full on March 6, 2024 for this change. In December 2024 the Company entered into Amendment 4 to the manufacturing contract amending the payment terms. In this Amendment, the Company agreed to pay an amount that when added to the payments already made would equal 90% of the equipment build portion of the contract. This amount is \$813,875 and was paid in January 2025. Following this January 2025 payment, 90% of the build-cost for the manufacturing equipment has been made in line with Amendment 4. On February 14, 2025, we signed Amendment 5 to the agreement for the modification to one component of the machine. The cost for this modification is \$160,106 of which half was paid on or about the time of signing, in line with the Amendment. We expect this machine to be in the US no later than the first quarter of 2026. Montrade is an industry leading designer and manufacturer of machines for a wide range of products, including heated tobacco products.

NOTE 7 – SUBSEQUENT EVENTS

On October 8, 2025, we sold 500 shares of our common stock for \$10,000 in a private transaction. We did not pay commissions or finder's fees and are using the proceeds for working capital.

On October 13, 2025, we sold 7,500 shares of our common stock for \$150,000 in a private transaction. We did not pay a commission or finder's fees and are using the proceeds for working capital.

On November 5, 2025, the Board of Directors granted two members of its Corporate Advisory Board 50,000 restricted shares of common stock each. The grant is consistent with the Corporation's 2019 EQUITY COMPENSATION PLAN (the "Plan") and is in recognition for past and continuing service, advice and counsel to the Corporation. The shares were awarded under Section 8 of the Plan as Restricted Stock Awards.

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

The following discussion of our financial condition and results of operations for the nine months ended September 30, 2025 and 2024 should be read in conjunction with the unaudited consolidated financial statements and the notes to those statements that are included elsewhere in this report. Our discussion includes forward-looking statements based upon current expectations that involve risks and uncertainties, such as our plans, objectives, expectations and intentions. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those set forth under “Cautionary Statements Regarding Forward-Looking Information” appearing earlier in this report, Part I. Item 1A. Risk Factors appearing in our 2024 10-K, and our other filings with the Securities and Exchange Commission. We use words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and similar expressions to identify forward looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Such statements are based on our current expectations and could be affected by the uncertainties and risk factors described throughout this report.

Overview

We are a technology company. We design and develop innovative methods to heat plant-based and/or medicant-infused formulations to produce aerosols for the efficient and efficacious inhalation of the plant and medicant constituents contained therein. We have two ways of accomplishing this: 1) at high temperatures via induction without combustion or the constituents of combustion; and 2) at low temperatures, where we heat an inert carrier, producing inhalable, medicant-infused aerosols while maintaining the integrity of the active ingredient(s).

Our high-temperature non-combusting technology is supported by 61 U.S. and international patents and pending patents. Among the applications of our patented and patent-pending technology are those for Heat-not-Burn (“HnB”) devices. Independent tests performed by an accredited lab on our system’s prototypes supported the benefits of rapid heating, confirmed non-combustion, even at high temperatures, and produced better toxicology results, greater than 99% better, when compared to products requiring combustion and compared to other non-combusting technologies currently on the market.

Our low-temperature, aerosolizing technology is supported by 31 U.S. and international patents and pending patents. This portfolio includes intellectual property around device designs and formulations containing a wide variety of herbal and pharmaceutical preparations. The development stage devices feature the ability to verify the user, validate the medicant or pharmaceutical preparation and measure, meter and monitor the proper, prescribed dosage.

We define our target market as the “international inhalation market,” a market that includes herbal, pharmaceutical, medical, recreational and lifestyle products and ingredients. Industry experts, like Nielsen, Grand View Research, Fier Markets, updated published reports in 2024 and 2025 that we have consolidated; these consolidated estimates support that this is a \$1.1 trillion USD annual market. The largest category within this market is the combustible tobacco market, comprising over 90% of the total. Our near-term focus is on this segment, which represents the greatest opportunity for growth and the greatest opportunity to positively impact public health and wellness.

We believe our HnB technologies have applications to the international tobacco industry and the growing hemp/CBD and cannabis industries. HnBs represent the latest in tobacco and inhalable technologies, and it is likely to supplant the electronic vapor system (EVS) technologies that include e-cigarettes and electronic nicotine delivery systems. We believe HnBs, when properly designed, will avoid many of the issues that have proved troublesome for EVS', including thermal decomposition, heating irregularities and the formation and presence of high levels of acrolein and formaldehyde. In late 2019 Philip Morris International sought to introduce its HnB product to U.S. markets. This product, which was sold in more than 40 countries before entering U.S. markets, like other HnB technologies, is a device that heats a tobacco stick, rather than burning it, and testing by an independent accredited lab supports claims that the product can potentially reduce the number of noxious chemicals found in cigarette smoke by 95%. The Philip Morris product received the approval of the U.S. FDA in 2019, via both a Pre-market Tobacco Authorization ("PMTA") and in 2020 with a Modified Risk Tobacco Product ("MRTP") designation to market the product in the U.S.. However, the International Trade Commission ruled on September 29, 2021 that the Philip Morris product violated certain British American Tobacco patents and ruled that the Philip Morris product could not be imported to or sold in the U.S.. In 2023 Phillip Morris and British American Tobacco settled their patent litigation and the product is now being introduced into the U.S. market.

Since late 2019 we have focused our efforts on commercializing our HnB technology, by entering into international joint venture agreements that, when finalized, will pave the way for product introductions in Asia Pacific and for US tobacco consumable manufacturing. The U.S. consumable manufacturing will be supported by proprietary research and development and the completion of high speed manufacturing modules that are being manufactured by Montrade S.p.A., ("Montrade") a company based in Bologna, Italy. To further extend our product development in late 2023 we entered into a Shareholder Agreement with Asahi Corporation to establish CQENS Electronics (Hong Kong) Limited ("CEL"), a Hong Kong company, for design, development and manufacture of our HNB device. We acquired 50% membership of CEL and hold the majority of the board seats including the chair. Pursuant to the establishment of CEL, we entered into an exclusive, worldwide License Agreement with CEL for designing, manufacturing a consumer device consistent with our IP. CEL is included in our consolidated financial statements.

Recent events, including changes in the leadership of relevant regulatory bodies, US required that we pause certain of our planned regulatory and product development activities. In the recent quarter ended we were advised that these matters had resolved to a great extent such that our product development and commercialization timelines have been modestly reset. Over the next 12 months we believe we can achieve key milestones that include entering into international joint ventures, preparing and filing certain regulatory submissions with the US FDA, and undertaking market tests in the EU, provided we are able to successfully raise and deploy additional capital. However, prolonged recessionary pressures on the international capital markets and uncertainty surrounding the timing and imposition of tariffs will make it more difficult for small, pre-revenue companies such as ours to raise capital. We continue to assess the impact of these events on our Company, and currently, we are unable to predict all possible impacts on our operations and future prospects.

Going concern

For the first nine months of 2025, we reported a consolidated net loss of \$5,596,884 and net cash used in operations of \$4,570,415 compared to a net loss of \$7,600,197 and net cash used in operations of \$2,067,595 for the first nine months of 2024. At September 30, 2025, we had cash on hand of \$9,243,579 and an accumulated deficit of \$40,344,015. The report of our independent registered public accounting firm on our consolidated financial statements for the year ended December 31, 2024, contains an explanatory paragraph regarding our ability to continue as a going concern based upon our recurring losses and no source of revenues which are sufficient to cover our operating costs. These factors, among others, raise substantial doubt about our ability to continue as a going concern. Our consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Results of operations

We did not generate any revenues from our operations in the first nine months of 2025 or 2024.

Our total operating expenses for the three months ended September 30, 2025 decreased 78.7% over those reported for the same period in 2024. This decrease is primarily attributable to the issuance of 206,750 shares in exchange for professional services in the first nine months of 2024 that were valued at \$4,135,000 which were not present in this same period in 2025. A decrease in general and administrative expenses of 11.6% further contributed to this decrease. An increase in research and development expenses of 26.7% offset some of this decrease with the increase in engineering services in the first three months of 2025 versus this same period in 2024.

For the first nine months of 2025 total operating expenses decreased 23.3% over those reported in the same period in 2024. The decrease is principally due to professional fees decreasing 35.0%. General and administrative expenses saw a 2.7% increase in the first nine months of 2025 compared to the first nine months of 2024, including increases to amortization expenses, marketing/brand development costs, rent, office expenses, travel and meals. Research and development costs in the first nine months of 2025 increased 18.0% over the first nine months of 2024. This increase was due to increased engineering and consulting services relating to product design and development work.

We expect that our operating expenses will increase as we continue to develop and grow our business and we devote additional resources toward our new technologies and business opportunities, promoting that growth, most notably reflected in anticipated increases in general overhead, salaries for personnel and technical resources, as well as increased costs associated with our SEC reporting obligations. However, as set forth elsewhere in this report, our ability to continue to develop our business and achieve our operational goals is dependent upon our ability to raise significant additional working capital. As the availability of this capital is unknown, we are unable to quantify at this time the expected increases in operating expenses in future periods.

Liquidity and capital resources

As of September 30, 2025, we had \$9,243,579 in cash and cash equivalents and a working capital surplus of \$7,878,273 compared to \$4,596,556 in cash and cash equivalents and a working capital surplus of \$1,575,975 at December 31, 2024. Our current liabilities decreased \$1,667,188 from December 31, 2024, reflecting a significant decrease in our accounts payable, accrued expenses and investor deposits with a slight increase in related party borrowing. Our source of operating capital in the first nine months of 2025 came from cash on hand at the end of 2024 of \$4,596,556, the sale of 519,500 shares of common stock for gross proceeds of \$10,390,000 of which \$9,540,000 was received in the first nine months of 2025 and \$850,000 that was received as an investor deposit and included in cash on hand at the end of 2024, borrowing from a related party of \$61,943 and earned interest of \$259,044. Our source of operating capital in the first nine months of 2024 came from cash on hand at the end of 2023 of \$350,565; \$112,359 in borrowing from related parties; and \$5,308,000 of proceeds from the sale of our common stock.

The ability of the Company to continue as a going concern is dependent upon the Company obtaining adequate capital to fund operating losses until it becomes profitable. As the company is not generating revenues, continued activities and expenditures to bring product(s) to market as soon as we are able is important. Management believes the currently available funding will be insufficient to finance the Company's operations for a year from the date of these consolidated financial statements and to satisfy our obligations as they become due.

In the first nine months of 2025 we repaid Xten Capital Group, a related party, \$50,000 of the outstanding loan while in 2024 and 2023 we borrowed funds from Xten Capital Group, a related party. As a result, at September 30, 2025, we owed Xten \$950,000. The loaned funds were used for working capital. In the first nine months of 2025 Liu Mei Chong loaned \$61,943 to CQENS Electronics (Hong Kong) Limited. The funds are being used for working capital. As of September 30, 2025 we owe Liu Mei Chong \$78,657. The loans are non-interest bearing and due upon demand. At September 30, 2025 and as of the date of this filing, we owe \$1,028,657 to related parties while at September 30, 2024, we owed \$1,000,000 to Xten Capital Group.

During the first nine months of 2025 we sold an aggregate of 519,500 shares of common stock to accredited investors for gross proceeds of \$10,390,000 of which \$9,540,000 was received in the first nine months of 2025 and \$850,000 that was received as an investor deposit and included in cash on hand at the end of 2024. Proceeds from the sales are being used for working capital.

As of the date of this report, we still will need to raise \$10,000,000 to \$15,000,000 in additional capital during the next 12 months to achieve our goals. There is no assurance we will have sufficient funds to fund our operating expenses and continued development of our products and to satisfy our obligations as they become due over the next 12 months. In that event, our ability to continue as a going concern is in jeopardy.

Summary of cash flows

	September 30, 2025	September 30, 2024
Net cash (used) in operating activities	\$ (4,570,415)	\$ (2,067,595)
Net cash (used) in investing activities	\$ (344,537)	\$ (228,896)
Net cash provided by financing activities	\$ 9,561,943	\$ 5,720,359

Our cash used in operating activities increased 121.0% in the first nine months of 2025 compared to the first nine months of 2024. During these time periods, we primarily used the cash to fund our net losses.

In the first nine months of 2025, there was \$344,537 net cash used in investing activities from the capitalization of our intellectual property compared to net cash used in investing activities of \$228,896 in the same period in 2024 for capitalization of our intellectual property.

In the first nine months of 2025, we had net cash provided by financing activities of \$9,561,943 from the sale of our common stock, investor deposits and borrowing from related parties. We had net cash provided by financing activities in the first nine months of 2024 of \$5,720,359 from the sale of our common stock, investor deposits and borrowing from related parties.

Critical accounting policies

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the reported periods. We also have other key accounting policies, none of these policies are deemed to be critical accounting policies or critical estimates.

Off balance sheet arrangements

As of the date of this report, 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 that are material to investors. The term “off-balance sheet arrangement” generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with us is a party, under which we have any obligation arising under a guarantee contract, derivative instrument or variable interest or a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity or market risk support for such assets.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable for a smaller reporting company.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures.

We maintain “disclosure controls and procedures” as such term is defined in Rules 13a-15(e) under the Securities Exchange Act of 1934. In designing and evaluating our disclosure controls and procedures, our management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this report, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures were not effective to ensure that the information relating to our company required to be disclosed in our Securities and Exchange Commission reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to our management, including our Chief Executive Officer, to allow timely decisions regarding required disclosure due to the presence of continuing material weakness in our internal control over financial reporting as reported in our 2024 10-K. These material weaknesses in our internal control over financial reporting result from limited segregation of duties and limited multiple level of review in the financial close process.

The existence of the continuing material weaknesses in our internal control over financial reporting increases the risk that a future restatement of our financials is possible. In order to remediate these material weaknesses, we will need to expand our accounting resources. We will continue to monitor and evaluate the effectiveness of our disclosure controls and procedures and our internal control over financial reporting on an ongoing basis, however, we do not expect that the deficiencies in our disclosure controls will be remediated until such time as we have remediated the material weaknesses in our internal control over financial reporting. Subject to the availability of sufficient capital, we expect to expand our accounting resources in late 2025 or early 2026 in an effort to remediate the material weaknesses in our internal control over financial reporting.

Changes in Internal Control over Financial Reporting.

There have been no changes in our internal control over financial reporting during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

In addition to the other information set forth in this report you should carefully consider the risk factors in Part I, Item 1A in our 2024 10-K and our subsequent filings with the Securities and Exchange Commission, which could materially affect our business, financial condition or future results. These cautionary statements are to be used as a reference in connection with any forward-looking statements, written or oral, which may be made or otherwise addressed in connection with a forward-looking statement or contained in any of our subsequent filings with the Securities and Exchange Commission.

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

During the period covered by this report the Company issued the unregistered shares of common stock, as noted below, pursuant to exemptions from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended. The shares contain restrictions on the transferability of such shares, absent registration or applicable exemption.

During the nine-month period ended September 30, 2025, we sold an aggregate of 519,500 shares of our common stock for gross proceeds of \$10,390,000 to individuals or entities, \$9,540,000 was received in the first three quarters of 2025 and \$850,000 was included in cash on hand at the end of 2024. We did not pay a commission or finder's fee and are using the proceeds for working capital.

During the nine-month period ended September 30, 2025, we issued an aggregate of 60,169 shares of our common stock to individuals or entities for consulting services.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable to our company's operations.

Item 5. Other Information.

None.

Item 6. Exhibits.

No.	Exhibit Description	Form	Date Filed	Number	Herewith
2.1	Share Exchange Agreement and Plan of Reorganization dated April 11, 2014 by and between OICco Acquisition IV, Inc., VapAria Corporation and the listed shareholders+	8-K	4/11/14	2a	
3.1	Amended and Restated Certificate of Incorporation	S-1	6/30/14	3.C	
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation	8-K	8/21/14	3.4	
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation	10-Q	11/19/16	3.5	
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation	8-K	12/18/19	3.5	
3.5	Bylaws	S-1	3/29/10	3(b)	
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer				Filed
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer and Chief Financial Officer				Filed
32.1	Section 1350 Certification				Furnished*
101.INS	Inline XBRL Instance Document				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				Filed
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

+ Exhibits and/or Schedules have been omitted. The Company hereby agrees to furnish to the Staff of the Securities and Exchange Commission upon request any omitted information.

* This exhibit is being furnished rather than filed and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

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.

CQENS Technologies Inc.

November 13, 2025

By: /s/ Alexander Chong

Alexander Chong, Chief Executive Officer

November 13, 2025

By: /s/ Daniel Markes

Daniel Markes, Chief Financial Officer

Rule 13a-14(a)/15d-14(a) Certification

I, Alexander Chong, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of CQENS Technologies Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under 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 during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under 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; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 13, 2025

/s/ Alexander Chong

Alexander Chong, Chief Executive Officer, principal executive officer

Rule 13a-14(a)/15d-14(a) Certification

I, Daniel Markes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of CQENS Technologies Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under 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 during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under 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; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 13, 2025

/s/ Daniel Markes

Daniel Markes, Chief Financial Officer, principal financial and accounting officer

Section 1350 Certification

In connection with the Quarterly Report of CQENS Technologies Inc. (the “Company”) on Form 10-Q for the period ended September 30, 2025 as filed with the Securities and Exchange Commission (the “Report”), I, Alexander Chong, Chief Executive Officer of the Company, and I, Daniel Markes, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and
2. The information contained in the Report fairly presents, in all material respects, the financial conditions and results of operations of the Company.

November 13, 2025

/s/ Alexander Chong

Alexander Chong, Chief Executive Officer, principal executive officer

November 13, 2025

/s/ Daniel Markes

Daniel Markes, Chief Financial Officer, principal financial and accounting officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
