

**CONSOLIDATED FINANCIAL STATEMENTS APPENDIX**

**Company registration number 772522 (Republic of Ireland)**

**DAVION HEALTHCARE PLC AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
DECEMBER 31, 2024 AND 2023**

DAVION HEALTHCARE PLC AND SUBSIDIARY

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of  
Davion Healthcare Plc and Subsidiary:

### Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Davion Healthcare Plc and Subsidiary (the “Company”) as of December 31, 2024, 2023, and 2022, and the related consolidated statements of operations, stockholders’ equity, and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, 2023, and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### Restatement of the Previously Issued Consolidated Financial Statements

As discussed in Note 1.14 to the consolidated financial statements, the 2024 and 2023 financial statements have been restated to correct certain material misstatements.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company’s auditor since 2024.



Philadelphia, Pennsylvania

September 26, 2025

PCAOB ID Number 100

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>Notes</b>	<b>YEAR ENDED DECEMBER 31,</b>	
		<b>2024</b>	<b>2023</b>
Administrative expenses		€ (1,312,194)	€ (2,292,734)
Research and development expenses		(8,159)	(3,015,598)
<b>Operating loss</b>	<b>4</b>	<b>(1,320,353)</b>	<b>(5,308,332)</b>
Income tax expense	<b>6</b>	—	—
<b>Loss and total comprehensive loss for the year</b>		<b>€ (1,320,353)</b>	<b>€ (5,308,332)</b>
<b>Net loss per common share:</b>			
Basic and diluted		€ (0.06)	€ (0.35)
<b>Weighted-average common shares outstanding:</b>			
Basic and diluted		22,909,836	15,257,794

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

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

		<b>DECEMBER 31,</b>		
	<b>Notes</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	7	€ 65,000,000	€ 65,000,000	€ –
<b>Current assets</b>				
VAT receivable	9	8,138	331	–
Advances to related parties		–	–	122,585
Cash and cash equivalents		11	679	–
		8,149	1,010	122,585
<b>Total assets</b>		<b>€ 65,008,149</b>	<b>€ 65,001,010</b>	<b>€ 122,585</b>
<b>EQUITY</b>				
Share capital	16	€ 250,000	€ 200,000	€ 122,585
Share premium	17	71,347,078	64,877,415	–
Deficit		(6,628,685)	(5,308,332)	–
<b>Total equity</b>		<b>€ 64,968,393</b>	<b>€ 59,769,083</b>	<b>€ 122,585</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Advances from related parties	11	€ –	€ 4,631,670	€ –
<b>Current liabilities</b>				
Trade and other payables	15	39,756	600,257	–
<b>Total liabilities</b>		<b>39,756</b>	<b>5,231,927</b>	<b>–</b>
<b>Total equity and liabilities</b>		<b>€ 65,008,149</b>	<b>€ 65,001,010</b>	<b>€ 122,585</b>

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

The Consolidated Financial statements were approved by the board of directors and authorised for issue on August 1, 2025 and are signed on its behalf by:

/s/ Jack Kaye  
Jack Kaye  
**Director**

/s/ David Paul Alexander Over  
David Paul Alexander Over  
**Director**

**Company registration number 772522**

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

	<u>Notes</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Deficit</u>	<u>Total</u>
<b>Balance at December 31, 2022</b>		€ 122,585	€ –	€ –	€ 122,585
Loss and total comprehensive income for the period		–	–	(5,308,332)	(5,308,332)
Exchange of issued shares for Intangible Assets		–	64,877,415	–	64,877,415
Transactions with Owners in their capacity as owners:					
Issue of share capital	<b>16</b>	<u>77,415</u>	<u>–</u>	<u>–</u>	<u>77,415</u>
<b>Balance at December 31, 2023</b>		€ 200,000	€ 64,877,415	€ (5,308,332)	€ 59,769,083
Loss and total comprehensive income for the year		–	–	(1,320,353)	(1,320,353)
Transactions with Owners in their capacity as owners:					
Shares issued for repayment of advances and salaries	<b>16</b>	5,982	5,594,018	–	5,600,000
Shares issued for payment of trade and other payables	<b>16</b>	<u>44,018</u>	<u>875,645</u>	<u>–</u>	<u>919,663</u>
<b>Balance at December 31, 2024</b>		<u>€ 250,000</u>	<u>€ 71,347,078</u>	<u>€ (6,628,685)</u>	<u>€ 64,968,393</u>

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

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (AS RESTATED)**

		<b>YEAR ENDED DECEMBER 31,</b>	
	<b>Notes</b>	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>			
Net loss	<b>21</b>	€ (1,320,353)	€ (5,308,332)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
Changes in operating assets and liabilities:			
Increase in VAT Receivable		(7,807)	(331)
Increase in amount due to related parties		890,915	4,709,085
Increase in trade and other payables		436,577	600,257
<b>Net cash (used in)/provided by operating activities</b>		<b>(668)</b>	<b>679</b>
<b>Net cash from investing activities</b>		<b>—</b>	<b>—</b>
<b>Net cash from financing activities</b>			
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(668)</b>	<b>679</b>
Cash and cash equivalents at beginning of year		679	—
Cash and cash equivalents at end of year		<u>€ 11</u>	<u>€ 679</u>
<b>Non cash investing and financing activities:</b>			
Shares issued for amounts due to related parties		€ 5,600,000	€ —
Shares issued for trade and other payables (as restated)		€ 919,663	€ —
Shares issued for intangible assets (as restated)		€ —	€ 65,000,000

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

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**DECEMBER 31, 2024 AND 2023**

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**Company information**

Davion Healthcare Plc (“the Company”) was incorporated in the Republic of Cyprus on 29 November 2022 as a Public Company and re-registered in Ireland as a Public Limited Company on 25 September 2024. Davion Healthcare Plc is a healthcare company that specialises in inventing and commercialising innovative medical technologies, pharmaceutical products and healthcare services.

**1 Material accounting policies Company information**

Davion Healthcare Plc (“the Company”) was incorporated in the Republic of Cyprus on 29 November 2022 as a Public Company and re-registered in Ireland as a Public Limited Company on 25 September 2024. Davion Healthcare Plc is a healthcare company that specialises in inventing and commercialising innovative medical technologies, pharmaceutical products and healthcare services.

**1.1 Reporting period**

These Consolidated Financial statements cover the financial year ended December 31, 2024 and 2023.

**1.2 Accounting convention**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These are the Company’s first annual financial statements prepared in accordance with IFRS and are in compliance with the requirements of IFRS.

The consolidated financial statements are prepared in euros, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest euro.

The consolidated financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The consolidated financial statements consist of the financial statements of the parent Company, Davion Healthcare Plc, together with its wholly owned subsidiary, Davion Healthcare Ltd.

All consolidated financial statements are made up to December 31, 2024 and 2023. Where necessary, adjustments are made to the financial statements of subsidiary to bring the accounting policies used into line with those used by other members of the Company.

All intra-company transactions, balances and unrealised gains on transactions between the company and its subsidiary are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
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**1.3 Liquidity**

The Company incurred a loss of €1,320,353 during the first Consolidated Financial period, and, as of December 31, 2024 the Company's current liabilities exceeded its current assets by €31,607. The Company has received a Letter of Support from its Chief Executive Officer stating that that he will continue to support the Company for a period of 12 months from the approval of these consolidated financial statements.

The Company also expects that it will have the necessary surplus to repay the debt towards the Chief Executive Officer that was incurred up to the end of the first consolidated financial period.

Management has evaluated whether there are any material uncertainties that cast significant doubt on the entity's ability to continue as a going concern. This includes consideration of:

- The expected timing and risk associated with initial revenue generation.
- The robustness of the shareholder support.
- The adequacy of the current and forecasted cash position to meet obligations as they fall due.

Having considered all relevant factors, management does not believe that any material uncertainties exist that would cast significant doubt on the entity's ability to continue as a going concern.

**1.4 Intangible assets other than goodwill**

Intellectual Property Rights acquired separately are measured on initial recognition at cost. Following initial recognition, Intellectual Property Rights may be carried at a revalued amount (based on fair value) less any subsequent amortisation and impairment losses if fair value can be determined by reference to an active market. Under the revaluation model, revaluation increases are recognised in other comprehensive income and accumulated in the "Revaluation surplus" within equity except to the extent that they reverse a revaluation decrease previously recognised in profit and loss. If the revalued intangible has a finite life and is therefore subject to amortisation, the revalued amount is amortised.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

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Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

**1.5 Impairment of tangible and intangible assets**

At each reporting end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are carried at amortised cost because (i) they are held for collection of contractual cash flows and those cash flows represent sole payments of principal and interest, and (ii) they are not designated at Fair Value Through Profit and Loss.

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**1.7 Financial assets**

Financial assets are recognised in the Company's consolidated statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

***Financial assets at fair value through profit or loss***

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

***Financial assets held at amortised cost***

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g, trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

***Impairment of financial assets***

Financial assets carried at amortised cost and Fair Value Through Other Comprehensive Income are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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For trade receivables, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**1.8 Financial liabilities**

The Company recognizes financial debt when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either “financial liabilities at fair value through profit or loss” or “other financial liabilities.”

***Other financial liabilities***

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the Company’s obligations are discharged, cancelled, or they expire.

**1.9 Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

**1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statements because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

As at December 31, 2024, the Group had unutilised corporation tax assets of €828,586 (2023: €663,542) available for offset against future taxable profits. These losses arise in the Cyprus tax jurisdiction and may be carried forward indefinitely under local tax legislation. In accordance with IAS 12 – Income Taxes, no deferred tax asset has been recognised in respect of these losses due to the uncertainty regarding the availability of sufficient future taxable profits against which the losses can be utilised. Management will continue to assess the recoverability of these tax losses and will recognise a deferred tax asset when it is considered probable that future taxable profits will be available.”

**1.11 Foreign exchange**

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**1.12 Research and development costs**

Research expenditures are written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**1.13 Segments**

The Company has been operating as a single segment for financial reporting purposes since its inception. The Chief Operating Decision Maker is the CEO. He is responsible for making all decisions regarding the use of capital.

**1.14 Restatement of previously issued financial statements**

The following non cash investing and financing disclosures on the Consolidated Statements of Cash Flows (As Restated) for 2024 and 2023 have been restated due to them being reported in error. The line items “Shares issued for trade and other payables (as restated)” for 2024 was revised to €919,663 and the line item “Shares issued for intangible assets (as restated)” for 2024 was revised to €0 and 2023 was revised to €65,000,000.

Also, additional background information was added to certain sections of Note 7 Intangible Assets and marked “as restated” regarding the acquisition of intellectual property rights for €65,000,000 in 2023 to provide additional disclosure regarding the terms of the related party acquisition of intellectual property rights, as well as, the removal of management’s estimate of fair value of the intellectual property rights at December 31, 2024, which was not consistent with the disclosure requirements of an indefinite lived intangible asset under the cost accounting model.

Finally, Note 11 Borrowings has been restated to reflect that the “Advances from related parties” are amounts paid directly to vendors and represent a non cash transaction to the Company, that the CEO’s advances for 2024 was revised from €1,130,950 to €0.1 million and the balance owed to the CEO as December 31, 2024 was revised from €0 to €30,804 and is classified in “Trade and other payables” on the Consolidated Statement of Financial Condition.

None of the above changes had an impact on the carrying value of assets, liabilities and stockholders’ equity and thus, there is no impact to basic and diluted earnings per share.

**2 Adoption of new and revised standards and changes in accounting policies**

At the date of approval of these Consolidated Financial statements, certain new and revised standards and interpretations had been issued by the International Accounting Standards Board but were not yet effective.

The Company is currently evaluating the potential impact of these standards on its financial statements. The effect, if any, of the adoption of these standards will be assessed and reflected in the period in which they are adopted.

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**3 Critical accounting estimates and judgements**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**(1) Impairment of intangible assets**

Intangible assets are initially recorded at acquisition cost and are amortized on a straight-line basis over their useful economic life. Intangible assets that are acquired through a business combination are initially recorded at fair value at the date of acquisition. Intangible assets with indefinite useful lives are reviewed for impairment at least once per year. The impairment test is performed using the discounted cash flows expected to be generated through the use of the intangible assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

**(2) Going concern basis**

Management has made an assessment of the Company's ability to continue as a going concern.

**4 Operating loss**

	<u>2024</u>	<u>2023</u>
	€	€
Operating loss for the year is stated after charging/(crediting):		
Exchange gains	(2)	(181)
Research and development costs	<u>8,159</u>	<u>3,015,598</u>

**DAVION HEALTHCARE PLC AND SUBSIDIARY**  
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**5 Employees**

The average monthly number of persons (excluding directors) employed by the Company during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Total	—	—

**6 Income tax expense**

The charge for the year can be reconciled to the loss per the income statements as follows:

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Loss before taxation	(1,320,353)	(5,308,332)
Expected tax credit based on a corporation tax rate of 12.50% (2023: 12.50%)	165,044	663,542
Tax benefits not recognized	(165,044)	(663,542)
	—	—

**7 Intangible assets (as restated)**

**Acquisition and Initial Recognition (as restated)**

During the year ended December 31, 2023, the Company acquired certain intellectual property rights from Davion Healthcare Ltd (“a UK company”) at the initial fair value of €65 million in exchange for 12,258,458 shares. These rights were recognized as intangible assets in accordance with the requirements of IAS 38 – Intangible Assets and measured initially at cost.

The non cash transaction was completed at a share price of €5.30 per share (par value being €0.01), with shares being distributed to all shareholders of the UK company on a pari pasu basis to their percentage shareholding in the UK company at the time of transfer. There are no future payment obligations related to the intellectual property rights. General meetings of the shareholders of both the seller and buyer took place, and resolutions were passed by both parties, fully approving the terms of the sale and purchase agreement. This transaction was considered a related party transaction as Jack Kaye, CEO of Davion, was a director and shareholder of both the seller and buyer, but declared his interest prior to the transaction and excluded himself from voting either as a director or shareholder in respect of both buyer and seller. The property rights were developed, but not commercially ready for production pending the Company finalizing the required regulatory requirements for each product.

**Subsequent Development Activities and Regulatory Approval**

In 2024, the Company invested further in the enhancement and development of the intellectual property; however, none of these costs met the recognition criteria under IAS 38 due to there being no active market in accordance with “IAS” 38. These costs primarily related to technical refinement and commercialization readiness.



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During the same period, Footflow and ThermaDerm were added to the portfolio and the regulatory registration for BreastCheck, Testic, Footflow and ThermaDerm was established with the U.S. Food and Drug Administration (FDA), the EU under the CE mark, and the UK Regulatory authority under the UKCA mark, enabling future commercialisation of the related products. These intangible assets were tested for impairment under IAS 36 – Impairment of Assets, and no impairment losses were identified as of December 31, 2024 or December 31, 2023.

**Valuation Assessment (as restated)**

Management's estimate of fair value exceeds the carrying value at due to the following post acquisition:

- The impact of regulatory approval and technical milestones
- Updated assumptions around market potential and future cash flows
- A significant distribution agreement entered into during 2024 that supports commercial forecasts

**Measurement Basis and Accounting Policy Application**

In accordance with IAS 38, in respect of the intellectual property held by the Company, the cost model continues to be applied.

As at December 31, 2024, the asset is carried at cost, plus capitalized development expenditures, less accumulated amortization and any impairment losses, if applicable.

The carrying amount of the intellectual property as of December 31, 2024, was €65 million (2023: €65 million). BreastCheck is expected to be available in the second half of 2025.

**Impairment Assessment and Recoverability**

Consistent with the Company's policy under IAS 36, the asset was reviewed for impairment at the reporting date. The recoverable amount, based on a value-in-use model incorporating cash flow projections and commercial assumptions, was higher than the carrying amount. No impairment loss was recorded.

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**Management Commentary (as restated)**

While the estimated fair value of the asset significantly exceeds its carrying value, this difference is not recognized in the statement of financial position, consistent with the Company's cost accounting policy. The Company believes this asset will contribute materially to revenue and operating income from the first half of 2026 onwards, upon commercial launch of related products.

	<b>Initial Recognition</b>	<b>Revaluation for the period</b>	<b>Fair Value</b>
	<b>€</b>	<b>€</b>	<b>€</b>
BreastCheck IP Rights	60,000,000	0.00	60,000,000
Tricos IP Rights	1,000,000	0.00	1,000,000
Testic IP Rights	1,000,000	0.00	1,000,000
Davion Masks IP Rights	1,500,000	0.00	1,500,000
Bio-Genex IP Rights	1,000,000	0.00	1,000,000
Merit IP Rights	500,000	0.00	500,000
<b>Total</b>	<b>65,000,000</b>	<b>0.00</b>	<b>65,000,000</b>

During the years ended December 31, 2024 and 2023, there was no amortization of these Intellectual Property Rights as they have indefinite useful life and are not subject to amortisation during the period.

	<b>Intellectual Property Rights</b>
	<b>€</b>
<b>Cost</b>	
Additions	65,000,000
At December 31, 2023	65,000,000
At December 31, 2024	65,000,000
<b>Carrying amount</b>	
At December 31, 2024	65,000,000
At December 31, 2023	65,000,000

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**8 Credit risk**

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. Cash balances are held with high credit quality financial institutions, and the Company has policies to limit the amount of credit exposure to any financial institution.

Except as detailed below, the carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, if any, represents the Company's maximum exposure to credit risk.

**Maximum credit risk**

	<u>2024</u> €	<u>2023</u> €	<u>2022</u> €
Cash and cash equivalents	<u>11</u>	<u>679</u>	<u>—</u>

The Company does not hold any collateral or other credit enhancements to cover this credit risk.

**9 VAT Recoverable**

	<u>2024</u> €	<u>2023</u> €	<u>2022</u> €
VAT recoverable	<u>8,138</u>	<u>331</u>	<u>—</u>

**10 Trade receivables - credit risk**

**Fair value of trade receivables**

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end dates.

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**11 Borrowings (as restated)**

**Non-current**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	€	€	€
<b>Borrowings held at amortised cost:</b>			
Advances from related parties	–	4,631,670	–

During the year, Jack Kaye, the Company's Chief Executive Officer, has paid on behalf of the Company through Malbrite Limited, a related party controlled by Jack Kaye, costs totaling €0.1 million in 2024 (2023: €4.6 million) in order for the Company to meet its obligations. Management has classified these advances, which are paid directly to vendors, within operations due to the nature of the transaction and represent a non cash advance to the Company.

On June 30, 2024, all amounts payable to Jack Kaye, up to that date were converted to Ordinary Shares at a conversion ratio of 1 ordinary share for the equivalent of every \$10 owed. Other creditors also converted amounts owed to them to equity on the same ratio, leaving a balance of €39,756 in Trade and other payables on the Consolidated Statements of Financial Position as of December 31, 2024. Included in the balance is €30,804 owed to Jack Kaye. See Note 20 Related party transactions for additional information.

**12 Fair value of financial liabilities**

The directors consider that the carrying amounts of financial liabilities carried at amortized cost in the financial statements approximate their fair values.

**13 Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Board of Directors has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having the ability to receive advances from related parties and/or an adequate amount of committed credit facilities.

The following table details the remaining contractual maturity for the Company's financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<u>5+ years</u>
	€
<b>At December 31, 2023</b>	
Advances from related parties	4,631,670
<b>At December 31, 2024</b>	
Advances from related parties	–

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**14 Market risk**

**Market risk management**

The geopolitical situation in Eastern Europe intensified on February 24, 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these consolidated financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conducting business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevent them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upward pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiary, operations, investments, contractual arrangements or joint ventures in the war area might be significantly exposed. Entities that do not have direct exposure to Israel and the Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets. The financial effect of these current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which these conflicts advance and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has no direct exposure to Russia, Ukraine, and Belarus or to Israel and the Gaza Strip and as such does not expect significant impact from direct exposures to these countries.

Despite the limited direct exposure, the conflicts are expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of these crisis and remain uncertain.

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Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact on the Company's profitability position. These events are not expected to have an immediate material impact on the Company's business operations. Management will continue to monitor the situation closely and will assess the need for further action in case the crisis becomes prolonged.

**15 Trade and other payables**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>	<b>€</b>
Trade payables	2,952	257	–
Accruals	6,000	–	–
Other payables	30,804	600,000	–
	<u>39,756</u>	<u>600,257</u>	<u>–</u>
<u>Accruals</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	<u>€</u>	<u>€</u>	<u>€</u>
As of January 1,	–	–	–
Additions	6,000	–	–
As of December 31,	<u>6,000</u>	<u>–</u>	<u>–</u>

**16 Share capital**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Ordinary share capital Authorised</b>						
Par value of €0.01	<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
<b>Issued and fully paid</b>						
Par value of €0.01	<u>25,000,000</u>	<u>20,000,000</u>	<u>12,258,458</u>	<u>250,000</u>	<u>200,000</u>	<u>122,585</u>
<b>Shares Issued and Fully Paid</b>						
	<u>2024</u>	<u>2023</u>	<u>2022</u>			
As of January 1,	20,000,000	12,258,458	–			
Additions	5,000,000	7,741,542	12,258,458			
As of December 31,	<u>25,000,000</u>	<u>20,000,000</u>	<u>12,258,458</u>			

On November 29, 2022, the Company was formed with an initial issuance of 12,258,458 shares of stock at € .01 par value for a total of € 122,585.

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During the year ended 2023, the Company exchanged the outstanding 12,258,458 shares of stock in exchange for the purchase of intangible assets valued at € 65,000,000 and issued an additional 7,741,542 shares of stock at € .01 par value for a total of € 77,415.

During the year ended 2024, the Company issued 4,401,800 shares of stock to various creditors and shareholders in exchange of amounts due to them of € 919,663 and issued 598,246 shares of stock to its officers in exchange for amounts due to them of € 5,600,000.

**17 Share premium account**

	<u>2024</u>	<u>2023</u>
	€	€
As of January 1,	64,877,415	—
Additions	6,469,663	64,877,415
As of December 31,	<u>71,347,078</u>	<u>64,877,415</u>

**18 Capital risk management**

The Company is not subject to any externally imposed capital requirements.

**19 Events after the reporting date**

As explained in Note 14, the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorizing these consolidated financial statements for issue, the conflicts continue to evolve as military activity continues and additional sanctions are imposed. The Company's activity at present and for the foreseeable future is concentrated on the contract in the USA and depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, it is unlikely that the Company's results will be affected.

Following a Board Meeting on the 6th January 2025, the following individuals re-joined the Board of Directors:

William Eric Peacock  
Julian Fernand Sluyters  
Kevin Malcolm Riches  
Susan Matteson King

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**20 Related party transactions**

**Remuneration of key management personnel**

Key management personnel consisted only of the directors for whom aggregate remuneration was €NIL and any other further required disclosures as per IAS 24.17 are €NIL for these consolidated financial periods.

**Other transactions with related parties**

For the years ended December 31, 2024 and 2023, the Company incurred €NIL and €1,100,000 respectively, with regards to management fees by Malbrite Limited and Kurdam Inc., companies controlled by Jack Kaye, a director of Davion Healthcare Plc. For the year ended December 31, 2024 and 2023, the Company incurred €400,000 and €600,000, respectively, with regards to director fees by David Paul Alexander Over, a director of Davion Healthcare Plc. The balance payable to David Paul Alexander Over was paid in full with share issuances. For the year ended December 31, 2023, the Company paid approximately €287,000 for marketing services to Tulk House International Limited, a company controlled by David Paul Alexander Over, a director for Davion Healthcare Plc.

For the year ended December 31, 2024 and 2023, the Company incurred €NIL and €77,415, respectively, with regards to management fees by Rallinson Limited, a company controlled by Jack Kaye, a director of Davion Healthcare Plc.

For the year ended December 31, 2024 and 2023, the Company incurred €NIL and €1,707,178, respectively, with regards to research and development costs by Rallinson Limited, a company controlled by Jack Kaye, a director of Davion Healthcare Plc.

For the year ended December 31, 2024 and 2023, the Company incurred €NIL and €556,279 respectively, with regards to research and development costs by Malbrite Limited, a company controlled by Jack Kaye, a director of Davion Healthcare Plc.

	<b>Year ended December 31, 2024</b>	<b>Year ended December 31, 2023</b>
	<b>€</b>	<b>€</b>
<b>Administrative expenses</b>		
Rent	2,184	2,942
Service charge payable	1,090,330	821,165
Software costs	–	26,562
Travelling expenses	–	15,049
Legal and professional fees	50,602	19,933
Consultancy fees	152,910	1,113,150
Accountancy	15,163	–
Bank charges	1,007	827
Public relations	–	292,857
Sundry expenses	–	430
Profit or loss on foreign exchange	(2)	(181)
<b>Total Administrative expenses</b>	<b>1,312,194</b>	<b>2,292,734</b>