

CONSOLIDATED FINANCIAL STATEMENTS

Company registration number 772522 (Republic of Ireland)

DAVION HEALTHCARE PLC

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE SIX MONTH PERIODS ENDED
JUNE 30, 2025 and 2024**

DAVION HEALTHCARE PLC

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DAVION HEALTHCARE PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	<u>Notes</u>	<u>Six Months Ended June 30, 2025</u>	<u>Six Months Ended June 30, 2024</u>
Administrative expenses		€ (277,441)	€ (1,080,597)
Research and development expenses		—	—
Operating loss		<u>(277,441)</u>	<u>(1,080,597)</u>
Income tax expense	3	—	—
Loss and total comprehensive loss for the year		<u>€ (277,441)</u>	<u>€ (1,080,597)</u>
Net loss per common share:			
Basic and diluted		<u>€ (0.01)</u>	<u>€ (0.05)</u>
Weighted-average common shares outstanding:			
Basic and diluted		<u>25,000,000</u>	<u>20,444,444</u>

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

DAVION HEALTHCARE PLC
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	<u>Notes</u>	<u>June 30, 2025</u> (Unaudited)	<u>December 31, 2024</u>
ASSETS			
Non-current assets			
Intangible assets		€ 65,000,000	€ 65,000,000
Current assets			
VAT receivable		13,640	8,138
Cash and cash equivalents		4,396	11
		<u>18,036</u>	<u>8,149</u>
Total assets		<u>€ 65,018,036</u>	<u>€ 65,008,149</u>
EQUITY			
Share capital	5	€ 250,000	€ 250,000
Share premium	5	71,347,078	71,347,078
Deficit		<u>(6,906,126)</u>	<u>(6,628,685)</u>
Total equity		<u>€ 64,690,952</u>	<u>€ 64,968,393</u>
LIABILITIES			
Non-current liabilities			
Advances from related parties	4	321,084	—
Current liabilities			
Trade and other payables		<u>6,000</u>	<u>39,756</u>
Total liabilities		<u>327,084</u>	<u>39,756</u>
Total equity and liabilities		<u>€ 65,018,036</u>	<u>€ 65,008,149</u>

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

DAVION HEALTHCARE PLC
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	<u>Notes</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Deficit</u>	<u>Total</u>
Balance at December 31, 2023		€ 200,000	€ 64,877,415	€ (5,308,332)	€ 59,769,083
Loss and total comprehensive income for the period		–	–	(1,080,597)	(1,080,597)
Shares issued for payment of trade and other payables	5	5,982	5,594,018	–	5,600,000
Balance at June 30, 2024		<u>€ 250,000</u>	<u>€ 71,347,078</u>	<u>€ (6,388,929)</u>	<u>€ 65,208,149</u>
Balance at December 31, 2024		<u>€ 250,000</u>	<u>€ 71,347,078</u>	<u>€ (6,628,685)</u>	<u>€ 64,968,393</u>
Loss and total comprehensive income for the period		–	–	(277,441)	(277,441)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at June 30, 2025		<u>€ 250,000</u>	<u>€ 71,347,078</u>	<u>€ (6,906,126)</u>	<u>€ 64,690,952</u>

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

DAVION HEALTHCARE PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	<u>Notes</u>	<u>Six Months Ended June 30, 2025</u>	<u>Six Months Ended June 30, 2024</u>
Cash flows from operating activities:			
Net loss		€ (277,441)	€ (1,080,597)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
Changes in operating assets and liabilities:			
Increase in VAT Receivable		(5,502)	(4,972)
Increase in prepaid assets		–	(236,882)
Increase in amount due to related parties		321,084	890,915
Increase / (decrease) in trade and other payables		(33,756)	431,237
Net cash (used in)/provided by operating activities		<u>4,385</u>	<u>(299)</u>
Net cash from investing activities		<u>–</u>	<u>–</u>
Net cash from financing activities		<u>–</u>	<u>–</u>
Net (decrease)/increase in cash and cash equivalents		4,385	(299)
Cash and cash equivalents at beginning of period		11	679
Cash and cash equivalents at end of period		<u>€ 4,396</u>	<u>€ 380</u>
Non cash investing and financing activities:			
Shares issued for amounts due to related parties		€ –	€ 5,600,000
Shares issued for trade and other payables		€ –	€ 919,663

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

DAVION HEALTHCARE PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

Company information

Davion Healthcare Plc 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. All references to “DAVI”, “the Company”, “we”, “us”, “the Group” or “our” refer to Davion Healthcare Plc and its wholly owned subsidiary Davion Healthcare Ltd. unless the context otherwise indicates.

1 Basis of unaudited interim financial statements

The unaudited condensed consolidated financial statements are for the six months ended June 30, 2025 and are presented in currency units Euro, which is the functional currency of the ultimate parent company. They have been prepared in accordance with IAS 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”). They do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), and should be read in conjunction with the Company’s annual audited consolidated financial statements for the year ended December 31, 2024.

The interim condensed consolidated financial statements have been prepared in accordance with the accounting policies adopted in the Company’s most recent annual audited consolidated financial statements for the year ended December 31, 2024.

When preparing the unaudited condensed consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the interim unaudited condensed consolidated financial statements and the key sources of estimation uncertainty, were the same as those applied in the Company’s last annual consolidated financial statements for the year December 31, 2024. The only exception is the estimate of income tax liabilities which is determined in these condensed consolidated financial statements using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

1.1 Significant transactions and events

During the six months ended June 30, 2025 management has been focused on readying its commercial products for launch and preparing to become a listed public company. The significant transactions and events in 2025 are as follows:

- In January our two executive officers, Jack Kaye, Chief Executive Officer, and David Over, Chief Commercial Officer entered into service agreements with the Company to provide ongoing services and
- In January the Company added four independent directors to the Board of Directors.

The Company continues to rely on funding from its CEO to fund operations. Additionally, the executive officers and the Board of Directors have waived their right to remuneration in 2025 and going forward until the Company’s ordinary shares are listed on Nasdaq. Management expects that the operating costs for second half of 2025 will be consistent with the first half’s operating results, notwithstanding the costs associated with the Company listing on Nasdaq. See Note 6 for additional information regarding subsequent events.

DAVION HEALTHCARE PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

1.2 Liquidity

The Company incurred a loss of €277,441 in the six months ended June 30, 2025 and €1,320,353 during the year ended December 31, 2024. The Company's current assets exceeded its current liabilities by €12,036. 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 18 months from the filing of the Company's annual audited financial statements approved on September 25, 2025.

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 current 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.

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

The Company has evaluated the following new or amended International Financial Reporting Standards (IFRS) and Interpretations that became effective for annual reporting periods beginning on or after January 1, 2025, or were otherwise applicable to the preparation of the Company's interim financial statements for the six months ended June 30, 2025:

Standard / Amendment	Effective Date	Key Requirement / Description
IAS 21 – Lack of Exchangeability	Annual periods beginning on or after January 1, 2025	Clarifies how to assess when a currency is not exchangeable, how to estimate an appropriate exchange rate, and adds related disclosures.
IAS 12 – International Tax Reform (Pillar Two Model Rules)	Annual periods beginning on or after January 1, 2023	Provides a temporary exception from recognizing deferred taxes related to Pillar Two top-up taxes and introduces related disclosure requirements.

DAVION HEALTHCARE PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

Management assessment:

Management has considered each of the above amendments and standards in the preparation of the interim condensed consolidated financial statements as of and for the six months ended June 30, 2025. None of these pronouncements have had a material effect on the Company's financial position, performance, or disclosures for the period presented.

The Company has not identified any currencies lacking exchangeability. The Company has applied the IAS 12 temporary exception for Pillar Two income taxes but has no exposure based on current operations.

Management will continue to monitor future developments in IFRS, including any further amendments to IAS 12 and the forthcoming IFRS 18 – Presentation and Disclosure in Financial Statements (effective 2027), to assess any potential future impact on the Group's financial reporting.

3 Income tax expense

The Company's effective tax rate was 0% for the respective periods and can be reconciled to the loss per the income statements as follows:

	June 30, 2025	June 30, 2024
	€	€
Loss before taxation	(277,441)	(1,080,597)
Expected tax credit based on a corporation tax rate of 12.50% (June 30, 2024: 12.50%)	34,680	135,075
Tax benefits not recognized	(34,680)	(135,075)
	<u>–</u>	<u>–</u>

4 Borrowings

Non-current liabilities	June 30, 2025	December 31, 2024
	€	€
Borrowings held at amortised cost:		
Advances from related parties	<u>321,084</u>	<u>–</u>

During the period, 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 €0.3 million in the 6 months to June 30, 2025 (2024: €0.1 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. Advances are non-interest bearing and repayable only if and when the Company is able to do so.

In June 2024, all amounts payable to Jack Kaye up to that date, approximately €4.6 million, 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.

DAVION HEALTHCARE PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

5 Share capital

In June 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.

6 Events after the reporting date

Public listing

In August 2025, the Company filed a registration statement with the United States Securities & Exchange Commission to list its 25 million outstanding ordinary shares on Nasdaq's Global Market, solely to permit its registered shareholders the ability to trade their shares in the United States. The registered shareholders may or may not, elect to sell their ordinary shares covered by the registration statement, as and to the extent they determine. Note, the registration statement is a secondary offering and the Company will receive no proceeds from it. Such registration statement has yet to be declared effective. Upon the Company's listing on Nasdaq, the Company will owe its direct listing advisor a fee of 125,000 ordinary shares and \$200,000, plus reimbursable expenses of up to \$100,000.

Infrastructure and software development agreement

In September 2025, the Company entered into an infrastructure, software and services agreement related to its test portal for Breastcheck for \$0.7 million payable over a 1 year term.

Commercial distribution agreement

In September 2025, the Company finalized their first global manufacturing and distribution agreement with NeuRX Health, Inc. The agreement provides for \$120 million in staged license fee payments together with minimum annual royalties of \$10 million per year over the initial ten-year term. The \$120 million license fee can be paid in a combination of cash or freely tradable shares in NeuRX, at our option. Royalty payments are based on manufacturing and distribution volumes, subject to the minimum annual royalty. The initial term is for 10 years and the Company has an option to renew for an additional 10 year term. The Company does not expect to generate revenues until BreastCheck is launched in 2026.

7 Related party transactions

Remuneration of key management personnel

In January 1st 2025, the Chief Executive Officer, Jack Kaye and the Chief Commercial Officer, David Paul Alexander ("the Executive Directors), entered into service agreements with the Company in exchange for annual remuneration of €1,800,000 and €1,200,000, respectively including other executive level benefits. In March of 2025, the Executive Directors agreed to freeze their service contracts without any accrual being credited, until such time the Company is listed on a public exchange, at which time the agreements will commence.

Also, in January 2025, as part of the Company's relocation to Ireland in 2024, the Company added four additional independent directors to the Board of Directors, whom have agreed to have their compensation frozen without any accrual being credited, until such time that the Company is listed on a public exchange, at which time their remuneration will commence.