



## **DEVONIAN HEALTH GROUP INC.**

Interim Condensed Consolidated Financial Statements for the three-month and nine-month periods ended  
**April 30, 2025, and 2024**  
(Unaudited)

**Devonian Health Group Inc.**  
Consolidated Statements of Financial Position  
As at April 30, 2025 and July 31, 2024

(Unaudited)

	April 30, 2025 \$	July 31, 2024 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	9,760,305	9,862,511
Accounts receivable (note 4)	5,502,054	7,965,975
Tax credits receivable	154,210	154,210
Inventories (note 5)	48,008	60,889
Interest reserve (note 7)	-	160,000
Prepaid expenses	308,025	256,225
	15,772,602	18,459,810
<b>Property, plant, equipment, and right-of-use assets</b>	2,280,544	2,496,091
<b>Intangible assets (note 3)</b>	4,903,636	5,134,465
<b>Goodwill (note 3)</b>	-	4,643,084
	22,956,782	30,733,450
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable (note 6)	13,921,373	13,780,243
Income tax liability (note 14)	65,195	847,198
Current portion of lease liability	46,889	44,682
Current portion of long-term debt (note 7)	-	2,075,617
	14,033,457	16,747,740
<b>Lease liability</b>	90,333	125,724
	14,123,790	16,873,464
<b>Shareholders' Equity</b>		
Share capital (note 8)	29,838,321	29,838,321
Stock options (note 9)	2,583,441	2,071,861
Warrants (note 10)	805,786	862,261
Contributed surplus	8,496,459	8,340,731
Deficit	(32,891,015)	(27,253,188)
	8,832,992	13,859,986
	22,956,782	30,733,450

**Material uncertainty related to going concern** (note 1)

**Approved by the Board of Directors**

(s) Dennis Turpin, Director

(s) André Boulet, Director

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

# Devonian Health Group Inc.

## Interim Condensed Consolidated Statements of Net Loss and Comprehensive Loss

**For the three-month and nine-month periods ended April 30, 2025 and 2024**

(Unaudited)

	For the three-month periods ended April 30,		For the nine-month periods ended April 30,	
	2025 \$	2024 \$ (as restated, Note 19)	2025 \$	2024 \$ (as restated, Note 19)
<b>Distribution revenues</b>	7,363,371	5,431,483	22,311,781	9,156,626
Cost of sales	4,667,425	3,873,628	15,026,668	6,132,109
<b>Gross margin</b>	2,695,946	1,557,855	7,285,113	3,024,517
<b>Operating Expenses</b>				
Research and development expenses	624,976	292,674	1,693,827	962,118
Selling and administrative expenses	2,101,182	1,549,900	5,947,976	4,130,688
Financial expenses (revenues), net (note 11)	(65,877)	89,106	5,016	237,300
	2,660,281	1,931,680	7,646,819	5,330,106
<b>Other Expenses</b>				
Intangible assets – Impairment loss (note 3)	195,983	-	195,983	-
Goodwill – Impairment loss (note 3)	4,643,084	-	4,643,084	-
	4,839,067	-	4,839,067	-
<b>Net income (loss) and comprehensive income (loss) before income tax</b>	(4,803,402)	(373,825)	(5,200,773)	(2,305,589)
Income tax expense	-	271,335	437,054	271,335
<b>Net loss and comprehensive loss</b>	(4,803,402)	(645,160)	(5,637,827)	(2,576,924)
<b>Net loss per share (note 12)</b>				
Basic	(0.03)	(0.004)	(0.04)	(0.02)
Diluted	(0.03)	(0.004)	(0.04)	(0.02)

**Additional information to the interim condensed consolidated statements of net loss and comprehensive loss**  
(notes 1, 3, 18 and 19)

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

# Devonian Health Group Inc.

## Interim Condensed Consolidated Statements of Changes in Shareholders' Equity

For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

	Number				Amount					
	Shares	Stock options	Warrants	Total	Share capital \$	Stock options \$	Warrants \$	Contributed surplus \$	Deficit \$	Total \$
<b>For the nine-month period ended April 30, 2024 (Restated - note 19)</b>										
<b>Balance</b> as at July 31, 2023	144,457,805	10,725,000	45,570,160	200,752,965	29,345,454	1,555,408	5,008,023	3,764,921	(25,426,354)	14,247,452
Issuance of shares and warrants	3,764,727	-	3,764,727	7,529,454	508,758	-	215,042	-	-	723,800
Share issuance costs:										
In cash	-	-	-	-	(15,891)	-	-	-	-	(15,891)
Stock-based compensation	-	6,900,221	-	6,900,221	-	697,259	-	215,006	-	697,259
Stock options expired	-	(1,537,500)	-	(1,537,500)	-	(215,006)	-	-	-	-
Warrants expired	-	-	(35,974,009)	(35,974,009)	-	-	(4,324,959)	4,324,959	-	-
Net loss and comprehensive loss for the period (Restated - note 19)	-	-	-	-	-	-	-	-	(2,576,924)	(2,576,924)
	3,764,727	5,362,721	(32,209,282)	(23,081,834)	492,867	482,253	(4,109,917)	4,539,965	(2,576,924)	(1,171,756)
<b>Balance, as at April 30, 2024</b> (Restated - note 19)	148,222,532	16,087,721	13,360,878	177,671,131	29,838,321	2,037,661	898,106	8,304,886	(28,003,278)	13,075,696
<b>For the nine-month period ended April 30, 2025</b>										
Balance as at July 31, 2024 (restated note 19)	148,222,532	16,587,721	12,941,850	177,752,103	29,838,321	2,071,861	862,261	8,340,731	(27,253,188)	13,859,986
Stock-based compensation (note 9)	-	4,834,326	-	4,834,326	-	610,833	-	-	-	610,833
Options Expired	-	(832,500)	-	(832,500)	-	(99,253)	-	99,253	-	-
Warrants expired (note 10)	-	-	(604,315)	(604,315)	-	-	(56,475)	56,475	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	-	-	-	(5,637,827)	(5,637,827)
	-	4,001,826	(604,315)	3,397,511	-	511,580	(56,475)	155,728	(5,637,827)	(5,026,994)
<b>Balance, as at April 30, 2025</b>	148,222,532	20,589,547	12,337,535	181,149,614	29,838,321	2,583,441	805,786	8,496,459	(32,891,015)	8,832,992

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

# Devonian Health Group Inc.

## Interim Condensed Consolidated Statements of Cash Flows

For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

	April 30 2025 \$	April 30 2024 \$
<b>Cash flows from</b>		
<b>Operating activities</b>		
Net loss	(5,637,827)	(2,576,924)
Items not affecting cash:		
Amortization of property, plant, equipment, and right-of-use asset	232,897	225,126
Amortization of intangible assets	34,845	95,088
Financial fees amortization	84,383	-
Stock-based compensation	610,833	697,259
Impairment loss (note 3)	4,839,067	-
Income taxes	437,054	271,335
	601,252	(1,288,116)
Net change in non-cash working capital items (note 13)	1,507,079	593,752
<i>Cash provided by (used in) operating activities</i>	2,108,331	(694,364)
<b>Investing activities</b>		
Acquisition of property, plant, and equipment	(17,350)	-
<i>Cash provided by (used in) investing activities</i>	(17,350)	-
<b>Financing activities</b>		
Principal payments on lease liability	(33,187)	(27,570)
Issuance of shares and warrants	-	707,909
Loan	-	2,039,453
Repayment of long- term debt	(2,160,000)	(3,580,000)
<i>Cash provided by (used in) financing activities</i>	(2,193,187)	(860,208)
<b>Increase (decrease) in cash and cash equivalents</b>	(102,206)	(1,554,572)
<b>Cash and cash equivalents– Beginning of period</b>	9,862,511	5,062,936
<b>Cash and cash equivalents– End of period</b>	9,760,305	3,508,364

For the period ended April 30, 2025, cash flow from operating activities includes interest paid of \$129,201 (2024 - \$275,776).

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

# **Devonian Health Group Inc.**

## **Notes to the interim condensed consolidated financial statements**

### **For the nine-month periods ended April 30, 2025 and 2024**

(Unaudited)

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#### **1 Statutes of incorporation, nature of activities and material uncertainty related to going concern**

The Company was incorporated under the *Business Corporations Act* (Québec) on March 27, 2015. On May 12, 2017, the Company was continued under the *Canada Business Corporations Act*.

Its main activity is the development of drugs for auto-immune inflammatory conditions. It is also involved in the development of value-added products for dermo-cosmetics and the distribution of pharmaceutical products through its subsidiary. The Company has established a research effort focused towards new solutions in the medical sector as well as in the cosmetic sector. The Company's head office is located at 360 Rue des Entrepreneurs, Montmagny, Québec.

These interim condensed consolidated financial statements (the "consolidated statements") have been prepared on a going concern basis, which assumes that assets will be realized, and liabilities discharged in the normal course of business for the foreseeable future. Accordingly, these consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or on the discharge or classification of liabilities, should the Company be unable to continue its normal course of business. The company is engaged in the development of botanical drugs and will need to obtain necessary financing to continue its operations until the commercialization phase of its products. The Company has incurred losses since its inception and expects this situation to continue for the foreseeable future. Furthermore, as disclosed in note 3, the Company's sales are expected to decrease significantly going forward as a result of the non-renewal of the license agreement for the distribution of Dexlansoprazole. The Company's liquidity is limited to its ongoing operations and related activities. Consequently, the Company's ability to continue as a going concern depends also on its ability to source products from its pharmaceutical suppliers, its ability to distribute its products and generate positive cash flows, its ability to obtain further financing in a timely manner in order to complete research and development projects, and to market its developed products. Management continues to negotiate for further financing and enter into various agreements that could generate positive cash flows. The Company's ability to successfully complete such financings and agreements is subject to significant uncertainty that raises substantial doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities in the normal course of operations. Such adjustments could be material.

#### **2 Material accounting policies**

##### **Declaration of compliance**

The interim condensed consolidated financial statements have been prepared in accordance with *International Accounting Standard 34*, Interim Financial Reporting. As a result, certain information and notes normally included in annual financial statements prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), have been omitted or summarized. These interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the years ended July 31, 2024, and 2023 as restated.

These interim condensed consolidated financial statements were adopted by the board of directors, on June 25, 2025.

## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

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#### Significant accounting policies

The interim condensed consolidated financial statements were based on the significant accounting policies described in the Company's restated consolidated financial statements for the year ended July 31, 2024.

#### Use of estimates and judgments

The preparation of interim condensed consolidated financial statements requires management to use judgment, make estimates and make assumptions that affect the application of accounting policies and the carrying value of assets, liabilities, revenues and expenses. Actual results could differ from estimated results. Significant accounting judgments and estimates applied by the Company are presented in the restated consolidated financial statements for the year ended July 31, 2024, and the methodology applied remains unchanged. Estimates and underlying assumptions are reviewed regularly. Any revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected by such revisions.

### 3 Additional information to the interim condensed consolidated statements of net loss and comprehensive loss

The interim condensed consolidated statements of net loss and comprehensive loss for the nine-month periods include the following items:

	For the nine-month periods ended	
	April 30 2025	April 30 2024
	\$	\$
Research and development – Amortization of property, plant and equipment and right-of-use asset	232,897	225,126
Cost of sales – Purchases of Finished Goods for resale	11,519,438	4,108,026
Cost of sales – Amortization of intangible assets	34,845	95,088
Administrative expenses – Salaries and employer's contributions	1,206,526	868,551
Administrative expenses – Stock-based compensation	610,833	697,259
Research and development expenses – Salaries and employer's contributions	432,451	201,199
Other expenses – impairment loss of intangible assets	195,983	-
Other expenses – Impairment loss of goodwill	4,643,084	-

The license agreement for the distribution of Dextansoprazole expired in April 2025 and was not renewed for an additional term. The product represents 95% of the total sales of the Company for the 9-month period ended April 30, 2025. Given the significance of this event the Company determined that its cash generating unit (CGU) i.e. Altius Healthcare Group LP, comprising the intangible assets and allocated goodwill was impaired. The recoverable amount was determined based on a value in use approach, with key inputs and assumptions including a discount rate of 20% and forecasted cash flows over a five-year period, reflecting management's best estimates of revenue and cost projections in light of the loss of the license agreement. The Company recorded an impairment loss of intangible assets of \$195,983 and an impairment loss of \$4,643,084 of goodwill, as at April 30, 2025. A 1% change in any of the key inputs will not result in any change in the impairment loss that was recognized.

**Devonian Health Group Inc.**

## Notes to the interim condensed consolidated financial statements

**For the nine-month periods ended April 30, 2025 and 2024**

(Unaudited)

**4 Accounts receivable**

	<b>April 30 2025 \$</b>	<b>July 31 2024 \$</b>
Trade	4,949,775	7,686,347
Sales taxes	490,641	279,628
Interest receivable	61,638	-
	<u>5,502,054</u>	<u>7,965,975</u>

**5 Inventories**

	<b>April 30 2025 \$</b>	<b>July 31 2024 \$</b>
Finished goods	48,008	60,889
	<u>48,008</u>	<u>60,889</u>

**6 Accounts payable**

	<b>April 30 2025 \$</b>	<b>July 31 2024 \$</b>
Suppliers	4,738,775	3,716,003
Accrued expenses	9,124,494	10,049,394
Salaries, payroll deductions and contributions	58,104	14,846
	<u>13,921,373</u>	<u>13,780,243</u>

**7 Long-term debt**

	<b>April 30 2025 \$</b>	<b>July 31 2024 \$</b>
Loan, secured by the universality of movable and immovable property, tangible and intangible, present and future of the Company, for a carrying value of \$7,177,526, interest payable monthly at the National Bank's prime rate plus 8.80%.	-	2,075,617

The loan was repaid in full in December 2024. The accrued interest was also settled as at April 30, 2025.



## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

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## 8 Share capital

### Description of authorized share capital

On October 10, 2024, the Company amended its articles of merger by creating a new class of shares, i.e. an unlimited number of ordinary shares which carries one vote per share. Each issued and outstanding subordinate voting share has been converted into one common share and after giving effect to the foregoing change, the following classes of shares of the Company and the rights, privileges, restrictions and conditions therein related have been repealed:

- i. an unlimited number of shares with multiple voting rights in the Company.
- ii. an unlimited number of shares with exchangeable voting rights in the Company; and
- iii. an unlimited number of Subordinate Voting Shares of the Company.

All of the Company's stock incentive plans will cover the new ordinary common shares as of the date of the amendment.

As of April 30, 2025, the authorized capital consists of an unlimited number of ordinary, participating shares, without par value, carrying a non-cumulative dividend.

	April 30 2025 \$	July 31 2024 \$
<b>Share Capital issued</b>		
148,222,532 ordinary shares (July 2024- 148,222,532 subordinate voting shares)	29,838,321	29,838,321

## 9 Stock option plan

On October 8, 2024, the Company granted 3,298,611 stock options to members of management. These options, exercisable on their grant date, can be exercised at a price of \$0.16, for a period of 10 years from the grant date.

The fair value of these granted options was estimated at \$395,833 based on the Black Scholes valuation model and using the following assumptions:

Risk-free interest rate	4.4 %
Average expected duration	5 years
Expected volatility	95 %
Share price	0.16\$
Expected Dividend	Nil

On December 23, 2024, the Company granted 1,535,715 stock options of the Company at an exercise price of \$0.19 for a period of 10 years from the grant date and in accordance with the terms and conditions of the Company's stock option plan. These options granted to independent directors of the Company are exercisable on their grant date.

**Devonian Health Group Inc.**

## Notes to the interim condensed consolidated financial statements

**For the nine-month periods ended April 30, 2025 and 2024**

(Unaudited)

The fair value of these granted options was estimated at \$215,000 based on the Black Scholes valuation model and using the following assumptions:

Risk-free interest rate	3.9 %
Average expected duration	5 years
Expected volatility	95 %
Share price	0.19\$
Expected Dividend	Nil

The following table summarizes information about the options outstanding and exercisable as at April 30, 2025:

Options outstanding and exercisable			
Exercise price \$	Number of options outstanding	Weighted average remaining contractual life	Options exercisable
0.12	751,645	5.67 years	751,645
0.125	3,765,610	8.59 years	3,765,610
0.145	500,000	9.15 years	300,000
0.15	4,397,966	7.75 years	4,397,966
0.16	3,298,611	9.45 years	3,298,611
0.19	1,535,715	9.65 years	1,535,715
0.20	785,000	7.40 years	785,000
0.21	675,000	5.26 years	675,000
0.34	50,000	7.69 years	50,000
0.40	920,000	6.56 years	920,000
0.50	2,700,000	6.65 years	2,000,000
0.60	1,210,000	3.20 years	1,210,000
	<u>20,589,547</u>		<u>19,689,547</u>

**Devonian Health Group Inc.****Notes to the interim condensed consolidated financial statements****For the nine-month periods ended April 30, 2025 and 2024****(Unaudited)****10 Warrants**

The following table summarizes information about the Company's warrants and the changes during the nine-month period ended April 30, 2025, and the year ended July 31, 2024, all of which are exercisable:

	<b>April 30 2025</b>		<b>July 31 2024</b>	
	<b>Number</b>	<b>Weighted average exercise price \$</b>	<b>Number</b>	<b>Weighted average exercise price \$</b>
Outstanding, beginning of period	12,941,850	0.24	45,570,160	0.37
Issued	-	-	3,764,727	0.25
Expired	(604,315)	0.25	(36,393,037)	0.40
Outstanding, end of period	12,337,535	0.24	12,941,850	0.24

The following table summarizes information about warrants outstanding as at April 30, 2025:

<b>Warrants outstanding</b>		
<b>Exercise price \$</b>	<b>Number of warrants outstanding</b>	<b>Average remaining contractual life</b>
0.20 to 0.28	11,762,490	0.10 to 0.87 years
0.52 to 0.69	535,046	0.39 to 1.98 years
0.95	39,999	1.38 years

**11 Financial expenses**

Financial expenses for the 9-month periods are as follows:

	<b>For the nine-month periods ended</b>	
	<b>April 30 2025</b>	<b>April 30 2024</b>
	<b>\$</b>	<b>\$</b>
Interest expenses and bank charges	8,830	6,435
Interest on long-term debt	129,201	275,776
Interest on lease liability	7,139	4,891
Interest income on bank deposits	(224,537)	(73,911)
Amortization of financial fees	84,383	24,109
	5,016	237,300

## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

## 12 Net loss per share

The following table provides the weighted average number of shares used to calculate the basic and diluted loss per share for the nine-month periods ended:

	For the three-month periods ended April 30		For the nine-month periods ended April 30,	
	2025	2024	2025	2024
Weighted average number of shares used to calculate the basic loss per share	148,222,531	147,535,205	148,222,531	146,734,785
Items excluded from the calculation of diluted loss per share:				
Stock options	20,589,547	16,087,721	20,589,547	16,087,721
Warrants	12,337,535	13,360,878	12,337,535	13,360,878

For the nine-month periods ended April 30, 2025, and 2024, the impacts of the warrants, stock options and the convertible debentures were excluded from the calculation of diluted loss per share as they would have an anti-dilutive effect.

## 13 Details of consolidated statements of cash flows

### Changes in non-cash working capital

The changes in non-cash working capital items for the nine-month periods ended April 30, 2025 and 2024 are as follows:

	April 30 2025 \$	April 30 2024 \$
Accounts receivable	2,463,922	(7,357,792)
Inventories	12,882	(45,193)
Prepaid expenses	(51,800)	(224,515)
Deferred financing cost	-	(177,771)
Interest reserve	160,000	(160,000)
Accounts payable	(1,077,925)	8,559,023
	<u>1,507,079</u>	<u>593,752</u>

## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

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#### 14 Altius Healthcare Group L.P. (formerly Altius Healthcare Inc)

On December 31, 2024, following a corporate reorganization, Altius Healthcare Inc, a fully owned subsidiary of Devonian Health Group Inc. (Devonian), transferred all its assets and liabilities to Altius Healthcare LP (Altius), a limited partnership where Devonian is the ultimate holder of 100% of the units. As of January 1, 2025, Altius Healthcare LP is treated as a flow-through entity for tax purposes. Accordingly, no income taxes are recorded at the partnership level. The \$65,195 tax liability reported as of April 30, 2025 pertains to periods prior to the corporate reorganization and reflects obligations incurred by Altius Healthcare Inc. when it was a taxable corporate subsidiary. Subsequent to the reorganization, Devonian has sufficient available non-capital loss carry-forwards to offset its share of taxable income allocated from Altius. As a result, no current income tax expense has been recognized in respect of Devonian's share of Altius's net income for the period.

#### 15 Related party transactions

The principal executives are the President of the Company, the President of the subsidiary, the interim Chief Financial Officer and the Directors. During the nine months period ended April 30, 2025 the Company has paid its principal executives a total remuneration of \$1,916,105 (2024 – \$1,794,684), which has been recognized in administrative expenses and of which the main components are:

	For the nine-month period ended April 30, 2025	For the nine-month period ended April 30, 2024
	\$	\$
Salaries and benefits	1,270,565	1,037,911
Consultant fees	34,707	76,014
Stock-based compensation	610,833	680,759
	<hr/>	<hr/>
	1,916,105	1,794,684

#### 16 Segment information

The Company is currently operating in a single reportable operating segment in Canada, which is the pharmaceutical sector.

The following table details the disaggregation of distribution revenues during the financial periods:

## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

#### 16 Segment information (continued)

	For the three-month periods ended April 30		For the nine-month periods ended April 30,	
	2025 \$	2024 \$ (as restated, Note 19)	2025 \$	2024 \$ (as restated, Note 19)
Pantoprazole Magnesium	354,879	(16,362)	931,401	1,892,990
Cléo-35	63,557	223,311	213,396	457,807
Dexlansoprazole	6,944,935	5,224,534	21,166,984	6,805,829
	7,363,371	5,431,483	22,311,780	9,156,626

Revenues are recognized according to the prices set in the contracts, less estimated sales rebates or returns. In the third quarter of 2024 the Company revised its estimates for accrued sales rebates and returns pertaining to prior period sales of Pantoprazole Magnesium by recognizing an additional expense which explains the negative sales reported that quarter.

#### 17 Economic dependence

During the three-month period ended April 30, 2025, the Company realized 56% (2024 – 47%) of its revenues from one client and 99% (2024 – 99%) of its purchases of inventories from one supplier.

During the nine-month period ended April 30, 2025, the Company realized 44% (2024 – 48%) of its revenues from one client and 99% (2024 – 99%) of its purchases of inventories from one supplier.

#### 18 Subsequent events

On June 9, 2025, the Board of Directors approved the grant of 1,288,596 stock options of the Company at an exercise price of \$0.15 for a period of ten years from the grant date and in accordance with the terms and conditions of the Company's Stock Option Plan. Of those options, 438,596 were granted to an independent director of the Company and are exercisable on the grant date. The remaining 850,000 options were granted to employees of the Company (of which 500,000 were granted to an officer of the Company). 200,000 of these options are exercisable on the grant date while the other 750,000 vest in equal instalment over a period of 4 years at the grant anniversary date.

## Devonian Health Group Inc.

### Notes to the interim condensed consolidated financial statements

#### For the nine-month periods ended April 30, 2025 and 2024

(Unaudited)

## 19 Restatement of comparative information

During the preparation of the interim condensed consolidated financial statements for the three and nine months ended April 30, 2025, the Company identified presentation and recognition errors in the previously issued interim financial statements for the corresponding periods in 2024.

- a) Specifically, certain expenses related to pharmaceutical product sales were previously presented as a reduction of distribution revenues. This classification was determined to be incorrect under IFRS, as these costs do not meet the criteria for netting against revenue. Accordingly, these amounts have been reclassified and are now presented as part of selling and administrative expenses.
- b) In addition, following the completion of the Company's income tax filings, it was noted that current income tax expense and the related liability had not been recognized in the consolidated statement of net loss and comprehensive loss or the consolidated statement of financial position for the nine-month period ended July 31, 2024. These amounts have now been recorded to appropriately reflect the Company's tax obligations in accordance with IAS 12.

As a result of these corrections, the comparative figures for the three and nine months ended July 31, 2024, have been restated. The impact of the restatements is summarized in the tables below:

#### Consolidated Statement of Net Loss and Comprehensive Loss

	For the three-month period ended April 30, 2024			For the nine-month period ended April 30, 2024		
	Previously stated	Adjustments	Adjusted	Previously stated	Adjustments	Adjusted
	\$	\$	\$	\$	\$	\$
Revenues (a)	5,125,571	305,912	5,431,483	8,675,261	481,365	9,156,626
Selling and administrative expenses (a)	1,243,988	305,912	1,549,900	3,649,323	481,365	4,130,688
Income tax expense	-	271,335	271,335	-	271,335	271,335
Net loss and comprehensive loss	(373,825)	(271,335)	(645,160)	(2,305,589)	(271,335)	(2,576,924)
Net loss per share (basic and diluted)	(0.002)	(0.002)	(0.004)	(0.02)	-	(0.02)

**Devonian Health Group Inc.**

Notes to the interim condensed consolidated financial statements

**For the nine-month periods ended April 30, 2025 and 2024**

(Unaudited)

**19 Restatement of comparative information (continued)****Consolidated Statement of Financial Position**

	<b>April 30, 2024</b>		
	<b>Previously stated</b>	<b>Adjustments</b>	<b>Adjusted</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current liabilities</b>			
Income tax liability (b)	-	271,335	271,335
Current liabilities (b)	11,998,351	271,335	12,269,686
<b>Shareholders' equity</b>			
Deficit (b)	(27,731,943)	(271,335)	(28,003,278)
Shareholders' equity (b)	13,347,031	(271,335)	13,075,696