

NuGen Medical Devices Inc.

Interim Condensed Consolidated Financial Statements

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

(Unaudited and not reviewed by the Company's independent auditor)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of NuGen Medical Devices Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited interim financial statements and (ii) the unaudited interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, the statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited interim financial statements of the Corporation have been prepared by management and are responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review or an audit of these interim financial statements.

NuGen Medical Devices Inc.**Interim Consolidated Statements of Financial Position***As at September 30, 2025 and December 31, 2024*

(Expressed in Canadian dollars)

	Note	September 30, 2025 (Unaudited) \$	December 31, 2024 \$
ASSETS			
Current			
Cash and cash equivalent		4,293,372	6,945,982
Restricted cash		53,045	51,944
Accounts receivable		35,897	99,962
Sales taxes recoverable		57,684	229,554
Inventory	4	340,084	320,728
Prepaid expenses		217,658	154,672
		4,997,740	7,802,842
Non-Current			
Intangible assets	5	3,163,168	3,355,046
Goodwill	5	1,889,497	1,727,170
Property and equipment		143,186	9,403
		5,195,851	5,091,619
		10,193,591	12,894,461

NuGen Medical Devices Inc.
Interim Consolidated Statements of Financial Position
As at September 30, 2025 and December 31, 2024
(Expressed in Canadian dollars)

	Note	September 30, 2025 <i>(Unaudited)</i> \$	December 31, 2024 \$
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and other liabilities	6	399,820	679,511
Deferred revenues		136,529	82,462
Current portion of long-term debt	7	659,231	574,651
		1,195,580	1,336,624
Non-Current liabilities			
Long-term debt	7	2,233,457	1,754,814
Convertible debt	8	15,423,201	15,474,682
		18,852,238	18,566,120
Shareholders' deficiency			
Share capital	9	23,302,381	23,223,669
Reserves	9	4,050,806	5,438,325
Accumulated foreign currency translation adjustment		(379,518)	39,594
Deficit		(35,632,316)	(34,373,247)
		(8,658,647)	(5,671,659)
		10,193,591	12,894,461

Reporting entity, nature of operations and going concern (Note 1)

On behalf of the Board of Directors:

/s/ Liang Lin
Liang Lin, CEO and Director

/s/ Arvind Rai
Arvind Rai, Director

NuGen Medical Devices Inc.

Interim Consolidated Statements of Loss and Comprehensive Loss

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

(Unaudited - Expressed in Canadian dollars)

	Note	September 30, 2025 \$ (3 months)	September 30, 2024 \$ (3 months)	September 30, 2025 \$ (9 months)	September 30, 2024 \$ (9 months)
Sales		34,678	531,815	173,682	594,133
Cost of goods sold		13,553	270,319	74,657	297,172
Gross profit		21,125	261,496	99,025	296,961
Selling, general and administrative expenses	13	1,215,583	2,394,042	3,126,324	4,586,512
Loss from operations		(1,194,458)	(2,132,546)	(3,027,299)	(4,289,551)
Other expenses (income)					
Other income		(35,351)	(407)	(112,517)	(1,221)
Net financial expenses	14	712,166	815,959	(289,899)	1,436,974
Loss before income taxes		(1,871,273)	(2,948,098)	(2,624,883)	(5,725,304)
Current tax expense		(4,532)	10,712	3,493	10,712
Net loss		(1,866,741)	(2,958,810)	(2,628,376)	(5,736,016)
Other comprehensive loss (income)					
Foreign currency translation adjustment		(125,475)	29,846	(419,112)	(53,161)
Net loss and comprehensive loss		(1,741,266)	(2,988,656)	(2,209,264)	(5,682,855)
Loss per share – basic and diluted		(0.008)	(0.014)	(0.010)	(0.027)
Weighted average number of common shares outstanding - basic and diluted		227,035,682	217,315,899	226,849,089	212,741,740

NuGen Medical Devices Inc.

Interim Consolidated Statements of Changes in Shareholders' Equity

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

(Unaudited - Expressed in Canadian dollars)

	Note	Number of shares	Share capital \$	Reserves \$	Foreign currency translation adjustment \$	Deficit \$	Total equity \$
Balance,							
January 1, 2025		225,825,682	23,223,669	5,438,325	39,594	(34,373,247)	(5,671,659)
Net loss		-	-	-	-	(2,628,376)	(2,628,376)
Other comprehensive loss		-	-	-	(419,112)	-	(419,112)
Exercise of warrants	9	1,210,000	78,712	(18,212)	-	-	60,500
Warrants expired				(1,369,307)	-	1,369,307	-
Balance,							
September 30, 2025		227,035,682	23,302,381	4,050,806	(379,518)	(35,632,316)	(8,658,647)
	Note	Number of Shares	Share capital \$	Reserves \$	Foreign currency translation adjustment \$	Deficit \$	Total equity \$
Balance,							
January 1, 2024		199,125,682	21,359,683	5,916,263	(35,114)	(29,301,105)	(2,060,273)
Net loss		-	-	-	-	(5,736,016)	(5,736,016)
Other comprehensive loss		-	-	-	53,161	-	53,161
Exercise of warrants	9	16,300,000	1,060,341	(245,341)	-	-	815,000
Exercise of options	9	300,000	23,430	(8,430)	-	-	15,000
Settlement of debt	7, 9	2,000,000	210,000	-	-	-	210,000
Share-based payments	9	-	-	94,689	-	-	94,689
Warrants expired	9	-	-	(153,641)	-	153,641	-
Balance,							
September 30, 2024		217,725,682	22,653,454	5,603,540	18,047	(34,883,480)	(6,608,439)

NuGen Medical Devices Inc.
Consolidated Statements of Cash Flows

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

(Unaudited - Expressed in Canadian dollars)

	September 30, 2025 \$	September 30, 2024 \$
Operating activities		
Net loss for the period	(2,628,376)	(5,736,016)
Adjustments for:		
Depreciation, amortization and impairment	490,955	487,591
Share-based payments	-	94,689
Current tax expense	3,493	10,712
Net financial expenses	(289,899)	1,436,974
Income tax paid	(3,493)	(10,712)
Changes in non-cash working capital		
Accounts receivable	64,065	(3,513)
Sales taxes recoverable	171,870	144,714
Inventory	(19,356)	(127,829)
Prepaid expenses	(62,986)	128,483
Accounts payable and other liabilities	(363,999)	1,322,987
Deferred revenues	54,067	330,373
Cash used in operating activities	(2,583,659)	(1,921,547)
Investing activities		
Acquisition of property and equipment	(128,350)	-
Net change in restricted cash	(1,101)	(1,125)
Cash provided by investing activities	(129,451)	(1,125)
Financing activities		
Repayment of lease liability	-	(27,793)
Proceeds from issuance of a new convertible debt	-	10,000,000
Proceeds from exercise of warrants and options	60,500	830,000
Cash provided by financing activities	60,500	10,802,207
Effect of foreign exchange rates on cash held in foreign currencies	-	-
Change in cash and cash equivalent during the period	(2,652,610)	8,879,535
Cash and cash equivalent, beginning of the period	6,945,982	464,456
Cash and cash equivalent, end of the period	4,293,372	9,343,991

NuGen Medical Devices Inc.

Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

1. REPORTING ENTITY, NATURE OF OPERATIONS AND GOING CONCERN

NuGen Medical Devices Inc. (“NuGen” or “the Company”), formerly BuzBuz Capital Corp. up to the completion of the Amalgamation, as defined below, was incorporated under the laws of Ontario on September 5, 2017. The Company’s registered address and principal place of business is located at 1400-18 King Street, Toronto, Ontario, M5C 1C4.

NuGen Medical Devices Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies. NuGen is the parent company of European Pharma Group B.V. and its wholly-owned subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (“EPG”).

Going concern

These interim condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities at their carrying values in the ordinary course of operations for the foreseeable future.

During the nine-month period ended September 30, 2025, the Company incurred a net loss of \$2,628,376 and negative cash flow from operations of \$2,583,659. At September 30, 2025, the Company has an accumulated deficit of \$35,632,316. As the Company is still in its development phase working on developing markets and finding distribution networks, the Company will operate at a loss until its business becomes established.

The Company's ability to continue as a going concern is dependent upon the continued financial support of shareholders and lenders, its ability to attain profitable operations and generate funds therefrom and/or its ability to continue to obtain equity or debt capital to obtain the necessary financing sufficient to meet current and future obligations. However, the Company was able to secure sufficient financing to be able to meet its business plan for at least the next twelve months. While the Company has been successful in securing financing in the past, raising additional funds is dependent on a number of factors outside the Company’s control, and as such there is no assurance that it will be able to do so in the future. These events or conditions indicate that a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional shares from treasury, control may change, and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operations.

These interim condensed consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue as a going concern. Such adjustments could be material.

NuGen Medical Devices Inc.

Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34. These interim condensed consolidated financial statements do not include all the information and disclosures required in the Company’s annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2024.

These interim financial statements have not been the subject of a review or an audit by the Company’s independent auditor and they were approved and authorized by the Board of Directors of the Company on December 1, 2025.

2.2 Basis of presentation

These interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which have been measured at fair value as described in Note 13. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Basis of consolidation

These interim condensed consolidated financial statements include the accounts of the Company and those of its three subsidiaries European Pharma Group B.V., European Pharma Group Shenzhen Ltd. and European Pharma Group Limited (Hong Kong). The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company’s subsidiaries are all 100% owned.

All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies.

2.4 Functional and presentation currency

All figures presented in the interim condensed consolidated financial statements are reflected in Canadian dollars, which is the functional and presentation currency of the parent. The functional currencies of the subsidiaries are described as follows:

Transactions in foreign currencies are translated to the respective functional currencies of Company’s subsidiaries at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognized in the consolidated statement of loss.

The financial statements of foreign operations that have a functional currency different from that of the Company’s presentation currency are translated into Canadian dollars. Assets and liabilities are translated at the rates in effect at the end of the reporting period; revenue and expense items are translated at the average exchange rate for the period. Gains or losses arising from translation are recorded in equity under the heading Accumulated foreign currency translation adjustment.

NuGen Medical Devices Inc.

Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

2.5 Use of management estimates, judgments and measurement uncertainty

The preparation of these interim condensed consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of these interim condensed consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of these interim condensed consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

A) Significant estimates and judgments made by management in the preparation of these interim condensed consolidated financial statements:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

Intangible assets and goodwill

Significant estimates and judgements are made in testing goodwill and intangible assets for impairment. Management uses estimates or exercises judgment in assessing indicators of impairment, defining a cash generating unit ("CGU"), forecasting future revenue, and in determining other key assumptions such as revenue multipliers used for assessing fair value (less costs of disposal). Goodwill is tested for impairment annually based on the December 31 balances and whenever there is an indication of impairment. Other long-lived assets are tested only when indicators of impairment are present.

Convertible debt 3

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgment to select a valuation model and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of the valuation model used for determining the fair value of the embedded derivatives in the Convertible Debts and the assumptions used by management are disclosed in note 8.

B) Other estimates and judgments made by management in the preparation of these consolidated financial statements:

Convertible debt 1

The convertible debt is a compound financial instrument which the principal amount could be converted into a fixed number of common shares of the Company at the option of the holder.

The liability component of the compound instrument was established by using the effective discount rate, the remaining balance was allocated to the equity component of the financial instrument.

NuGen Medical Devices Inc.
Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Calculation of share-based payments

The Company measures the cost of share-based payments by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. The Black-Scholes option pricing model is used to determine the fair value for the stock options and warrants and utilizes assumptions such as stock price, volatility and expected life of the option or contractual life of the warrant. Details of the assumptions used are included in Note 9.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The interim condensed consolidated financial statements have been prepared following the same accounting policies used in the audited annual consolidated financial statements for the year ended December 31, 2024.

The accounting policies have been applied consistently by the Company's entities and to all periods presented in these interim condensed consolidated financial statements, unless otherwise indicated.

4. INVENTORY

	September 30, 2025	December 31, 2024
	\$	\$
Components	153,522	125,682
Finished goods	186,562	195,046
	340,084	320,728

The amount of inventory included in cost of goods sold was \$74,657 for the nine-month period ended September 30, 2025 (2024 - \$297,172).

NuGen Medical Devices Inc.
Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

5. INTANGIBLE ASSETS AND GOODWILL

Cost	Insujet		Goodwill	Total \$
	Tradename	Technology		
Balance – January 1, 2025	825,519	5,356,167	1,727,170	7,908,856
Effect of movements in exchange rates	77,585	503,396	162,327	743,308
Balance – September 30, 2025	903,104	5,859,563	1,889,497	8,652,164
Accumulated amortization				
Balance – January 1, 2025	377,477	2,449,163	-	2,826,640
Amortization	64,838	420,684	-	485,522
Effect of movements in exchange rates	38,372	248,966	-	287,337
Balance – September 30, 2025	480,687	3,118,813	-	3,599,499
Carrying value, September 30, 2025	422,417	2,740,750	1,889,497	5,052,664

Cost	Insujet		Goodwill	Total \$
	Tradename	Technology		
Balance – January 1, 2024	808,818	5,247,809	1,692,227	7,748,854
Effect of movements in exchange rates	16,701	108,358	34,943	160,002
Balance – December 31, 2024	825,519	5,356,167	1,727,170	7,908,856
Accumulated amortization				
Balance – January 1, 2024	288,955	1,874,833	-	2,163,788
Amortization	81,943	531,670	-	613,613
Effect of movements in exchange rates	6,579	42,660	-	49,239
Balance – December 31, 2024	377,477	2,449,163	-	2,826,640
Carrying value, December 31, 2024	448,042	2,907,004	1,727,170	5,082,216

Amortization was taken on the Insujet intangible assets based on a useful life of ten (10) years. There was no impairment recognized for the nine-month period ended September 30, 2025.

NuGen Medical Devices Inc.
Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

6. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	September 30, 2025	December 31, 2024
	\$	\$
Accounts payable	392,820	665,772
Income tax payable	-	6,739
Other payables	7,000	7,000
	399,820	679,511

All amounts in accounts payable are due within one year.

7. LONG-TERM DEBT

		September 30, 2025	December 31, 2024
		\$	\$
Bonus payment due to Mosadex	(i)	609,231	524,651
CEBA loan	(ii)	46,418	39,821
Promissory note	(iii)	50,000	50,000
Cash consideration due to Mosadex	(iv)	2,187,039	1,714,993
Total		2,892,688	2,329,465
Less current portion		659,231	574,651
Long-term portion		2,233,457	1,754,814

- (i) On June 5, 2020, in conjunction with the acquisition of European Pharma Group B.V., the Company shall pay to Mosadex the amount of EUR 575,000, bearing 0% interest and payable within 90 days of the go-public transaction. The fair value of the loan payable at the acquisition date was deemed to be equivalent to the principal due to its expected short-term maturity. On August 26, 2021, an amendment was agreed between both parties to reduce the payable amount to EUR 275,000 payable by the Company within 28 months from the go-public transaction, being March 8, 2024. This amendment was treated in 2021 as a debt extinguishment and resulted in the accounting of a new payable of \$269,553 on the amendment date, based on an estimated market rate of 18%, and in a gain on loan extinguishment of \$587,772 recognized in net financial expenses. On April 16, 2024, a third amendment was agreed between both parties to settle the amount due of EUR 275,000 by the issuance of 2,000,000 shares at a deemed price of \$0.20 per share. The 2,000,000 shares were issued on April 26, 2024 and resulted in a gain on debt settlement of \$193,975 recognized in the net financial expenses. It was also agreed to issue a bonus payment of EUR 329,314 by November 8, 2026 or once the Company will complete a financing of a minimum of gross proceeds of \$3.5M, bearing 8% interest starting on March 8, 2024. This modification resulted in the accounting of a new liability for an amount of \$483,762 plus accrued interest of \$40,889 and result in a loss of the same amount recognized in net financial expenses. As the Company completed a financing of a minimum of gross proceeds of \$3.5M and has met this condition, the amount has been reclassified in the current portion as this loan is now repayable on demand. For the nine-month period ended September 30, 2025, an accretion expense of \$nil (\$12,226 in 2024) was recorded and interest of \$33,896 (\$22,395 in 2024) was recorded.

NuGen Medical Devices Inc.

Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

7. LONG-TERM DEBT (continued)

- (ii) During 2020, the Company received a \$60,000 loan from the Canada Emergency Business Account (“CEBA loan”). This CEBA loan:
- Bears 0% interest until January 18, 2024;
 - If the balance is not paid by January 18, 2024, the remaining balance will be converted to a three-year term loan at 5% annual interest paid monthly, effective January 19, 2024;
 - The full balance must be repaid no later than December 31, 2026;
 - No principal payments are required until January 18, 2024;
 - Principal repayments can be voluntarily made at any time without fees or penalties. \$20,000 loan forgiveness is available, provided the outstanding balance was \$60,000 at December 31, 2021, and \$40,000 is paid back between January 1, 2021 and January 18, 2024.

The loan was recognized initially at the fair value of \$37,151 based on an estimated market interest rate of 18%, with the difference of \$22,849 recognized as a government grant in the statement of loss and comprehensive loss of 2020. At the beginning of 2021 and 2022, the Canadian government decided to postpone the repayment date of all CEBA loans by one year. As the Company did not repay the principal before January 18, 2024, a cancellation of the government grant (\$20,000) was recorded in 2023 and the loan was recognized at a fair value of \$32,752 based on an interest rate of 5% and an estimated market interest rate of 22.75% with the difference of \$27,248 recognized as a government grant. During the nine-month period ended September 30, 2025, an amount of \$6,597 (\$5,064 in 2024) has also been recognized as accretion expense.

- (iii) On August 27, 2021, the Company signed a loan agreement of \$50,000, bearing interest at 20%, maturing on February 27, 2023. A minimum of six months of interest shall be paid in advance, and in the event the Company repays the principal amount of the loan prior to August 27, 2022, the loan shall bear an additional interest of 5%.

- (iv) In conjunction with the acquisition of European Pharma Group B.V., the Company shall pay to Mosadex the amount of EUR 1,000,000, bearing 0% interest and due 16 months after the acquisition date, being March 8, 2024. The initial fair value of \$1,251,690 of the cash consideration payable of EUR 1,000,000 was measured by discounting the notional principal using a discount rate of 18% over the 16-month period from the acquisition date. On August 26, 2021, an amendment was agreed between both parties to increase this amount to EUR 1,200,000, but to postpone the repayment by the Company to 28 months after the listing of the Company on the TSX Venture Exchange. This amendment was treated as a debt extinguishment and resulted in the accounting of a new debt recognized at the fair value on that date based on an estimated market interest rate of 18%. On April 16, 2024, a third amendment was agreed between both parties to postpone the repayment of EUR 1,200,000 due on March 8, 2024 to November 8, 2026. This amount will now bear 8% interest calculated since November 8, 2021. This amendment was treated as a debt extinguishment and resulted in the accounting of a new debt recognized at the fair value on that date based on an estimated market interest rate of 22.75% and resulted in a gain on debt extinguishment of \$303,603 recognized in the net financial expenses. For the nine-month period ended September 30, 2025, an amount of CAD \$298,950 (\$198,417 in 2024) has been recognized as accretion expense.

NuGen Medical Devices Inc.
Notes to the Consolidated Financial Statements

For the three and nine-month periods ended September 30, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

7. LONG-TERM DEBT (continued)

The table below summarizes changes to the long-term debt:

		September 30, 2025	December 31, 2024
		\$	\$
Balance at beginning of the period		2,329,465	2,174,579
Accretion expenses	(i, ii, iv)	305,547	303,603
New liability – Bonus payment	(i)	-	483,762
Interest on bonus payment	(i)	33,896	40,889
Settlement in shares	(i)	-	(403,975)
Gain on derecognition of debt	(iv)	-	(303,603)
Foreign exchange variation on debt		223,780	34,210
Balance at end of the period		2,892,688	2,329,465

8. CONVERTIBLE DEBTS AND DERIVATIVE LIABILITY

Convertible debt 3

On September 20, 2024, the Company completed a private placement of secured convertible debts (the “debts”) for aggregate gross proceeds of \$10,000,000. The debts mature on the date that is five (5) years from the closing, being September 20, 2029 and bear interest at a rate of 12% per annum payable on the maturity date in arrears. The debts are secured by a first ranking security interest in all of the present and after-acquired property and assets of the Company pursuant to a general security agreement. At any time prior to the close of business on the last business day immediately preceding September 20, 2029, the holders have the right, at the holder’s option, to convert all or a portion of the outstanding principal amount of the debts into units of the Company at a price of \$0.10 per unit. Each unit shall be comprised of one common share in the capital of the Company and one common Share purchase warrant exercisable at a price of \$0.10 per common Share until September 20, 2029. The debts represent hybrid financial instruments with multiple embedded derivatives requiring separation. The debt host portion (the “Host”) of the instrument is classified at amortized cost, whereas the aggregate conversion (the “Embedded Derivatives”) are classified at fair value through profit and loss (FVTPL). The fair value of the debts at inception was estimated at \$10,000,000 and determined using a valuation model which required the use of significant unobservable inputs.

NuGen Medical Devices Inc.
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8. CONVERTIBLE DEBTS AND DERIVATIVE LIABILITY (continued)

The following table summarizes the components of the convertible debts:

	Host (amortized cost)	Derivative (FVTPL)	Total	Equity component
<u>Convertible debt 1</u>				
Balance, December 31, 2024	6,847,180	-	6,847,180	521,723
Accretion expense	949,128	-	949,128	-
Effects of foreign exchange	681,561	-	681,561	-
Balance, September 30, 2025	8,477,869	-	8,477,869	521,723
<u>Convertible debt 3</u>				
Balance, December 31, 2024	3,104,601	5,522,901	8,627,502	-
Accretion expense	920,446	-	920,446	-
Fair value adjustment	-	(2,602,616)	(2,602,616)	-
Balance, September 30, 2025	4,025,047	2,920,285	6,945,332	-
Balance, September 30, 2025	12,502,916	2,920,285	15,423,201	521,723
	Host (amortized cost)	Derivative (FVTPL)	Total	Equity component
<u>Convertible debt 1</u>				
Balance, December 31, 2023	5,682,726	-	5,682,726	521,723
Accretion expense	1,037,292	-	1,037,292	-
Effects of foreign exchange	127,162	-	127,162	-
Balance, December 31, 2024	6,847,180	-	6,847,180	521,723
<u>Convertible debt 3</u>				
Balance, December 31, 2023	-	-	-	-
New issuance	2,818,144	7,181,856	10,000,000	-
Accretion expense	286,457	-	286,457	-
Fair value adjustment	-	(1,658,955)	(1,658,955)	-
Balance, December 31, 2024	3,104,601	5,522,901	8,627,502	-
Balance, December 31, 2024	9,951,781	5,522,901	15,474,682	521,723

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9. SHAREHOLDERS' EQUITY

The following details the share capital of the Company.

a) Share capital authorized

The Company is authorized to issue an unlimited number of common shares without par value. All issued shares were fully paid.

b) Movements in the Company's share capital are as follows:

		Number of Shares	Amount \$
<hr/>			
Balance, December 31, 2023		199,125,682	21,359,683
Shares issued for exercise of warrants	(i)	22,400,000	1,457,156
Shares issued for exercise of options	(ii)	2,300,000	196,830
Settlement of debt	(iii)	2,000,000	210,000
<hr/>			
Balance, December 31, 2024		225,825,682	23,223,669
<hr/>			
Shares issued for exercise of warrants	(iv)	1,210,000	78,712
<hr/>			
Balance, September 30, 2025		227,035,682	23,302,381

- (i) During the year ended December 31, 2024, 22,400,000 common shares were issued by the Company upon warrants exercised at an exercise price of \$0.05, for a gross amount of \$1,120,000.
- (ii) During the year ended December 31, 2024, 2,300,000 common shares were issued by the Company upon options exercised at an exercise price of \$0.05, for a gross amount of \$115,000.
- (iii) On April 26, 2024, the Company issued 2,000,000 shares as a debt settlement at a deemed price of \$0.20 per share and resulted in a gain on debt settlement of \$193,975 recognized in the net financial expenses.
- (iv) During February 2025, 1,210,000 common shares were issued by the Company upon warrants exercised at an exercise price of \$0.05, for a gross amount of \$60,500.

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9. SHAREHOLDERS' EQUITY (continued)

c) Share Purchase Options

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. The continuity of outstanding stock options is as follows:

	Number of stock options	Weighted average exercise price per share \$
Outstanding – December 31, 2023	19,875,000	0.18
Granted	923,000	0.14
Exercised	(2,300,000)	0.05
Expired	(950,000)	0.36
Outstanding – December 31, 2024	17,548,000	0.18
Outstanding – September 30, 2025	17,548,000	0.18
Exercisable – December 31, 2024	17,548,000	0.18
Exercisable – September 30, 2025	17,548,000	0.18

During the year ended December 31, 2024, the Company granted 923,000 options to certain consultants. Each option vests at grant date. One option allows the holder to purchase one common share of the Company at an exercise price between \$0.125 and \$0.15 per common share for a period of five years. The weighted average fair value of the options granted during the year of \$0.103 per option was estimated at the grant date based on the Black-Scholes valuation model using the following assumptions:

	2024
Share price	\$0.13-\$0.15
Number of options granted	923,000
Exercise price	\$0.125-\$0.15
Expected life in years	5 yrs
Volatility	95%
Risk-free interest rate	3.47% to 3.67%
Dividend yield	-

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly traded peers operating within the needleless injection and general medical device space.

The total expense recognized in profit or loss for the nine-month period ended September 30, 2025 amounts to \$nil (\$94,689 in 2024), recognized as compensation for consultants.

NuGen Medical Devices Inc.
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9. SHAREHOLDERS' EQUITY (continued)

The following table provides additional information about outstanding stock options as at September 30, 2025:

Exercise prices	No. of options outstanding	Weighted average remaining life (years)
\$0.05	2,250,000	2.20
\$0.125	523,000	3.42
\$0.15	400,000	3.78
\$0.20	13,675,000	2.79
\$0.40	700,000	1.17
\$0.18	17,548,000	2.69

The following table provides additional information about outstanding stock options as at December 31, 2024:

Exercise prices	No. of options outstanding	Weighted average remaining life (years)
\$0.05	2,250,000	2.96
\$0.125	523,000	4.17
\$0.15	400,000	4.53
\$0.20	13,675,000	3.54
\$0.40	700,000	1.92
\$0.18	17,548,000	3.44

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9. SHAREHOLDERS' EQUITY (continued)

d) Warrants

During the year ended December 31, 2024, 22,400,000 common shares were issued by the Company upon warrants exercised at an exercise price of \$0.05, for a gross amount of \$1,120,000.

During the nine-month period ended September 30, 2025, 1,210,000 common shares were issued by the Company upon warrants exercised at an exercise price of \$0.05, for a gross amount of \$60,500.

The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2023	58,844,524	0.16
Exercised	(22,400,000)	0.05
Expired	(6,530,843)	0.30
Balance – December 31, 2024	29,913,681	0.21
Exercised	(1,210,000)	0.05
Expired	(26,203,681)	0.23
Balance – September 30, 2025	2,500,000	0.05

All warrants outstanding are exercisable upon issuance. The following table provides additional information about outstanding share warrants as at September 30, 2025:

Exercise prices	Number of warrants outstanding	Weighted average remaining life (years)
\$0.05	2,500,000	2.24

The following table provides additional information about outstanding share warrants as at December 31, 2024:

Exercise prices	Number of warrants outstanding	Weighted average remaining life (years)
\$0.05	3,710,000	2.06
\$0.18	1,481,459	0.32
\$0.24	24,722,222	0.32
\$0.21	29,913,681	1.28

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9. SHAREHOLDERS' EQUITY (continued)

e) Reserves

The option and warrant reserve accounts have been created to record the offsetting credits of the share-based payment expenses relating to the issuance of stock options, warrants and convertible debts.

	Options \$	Warrants \$	Convertible debt \$	Shares to be issued \$	Total reserves \$
Balance, December 31, 2023	3,277,891	1,928,316	521,723	188,333	5,916,263
Share-based payment expense of the year	94,689	-	-	-	94,689
Warrants exercised	-	(153,641)	-	-	(153,641)
Options exercised	(81,830)	-	-	-	(81,830)
Warrants expired	-	(337,156)	-	-	(337,156)
Balance, December 31, 2024	3,290,750	1,437,519	521,723	188,333	5,438,325
Warrants exercised	-	(18,212)	-	-	(18,212)
Warrants expired	-	(1,369,307)	-	-	(1,369,307)
Balance, September 30, 2025	3,290,750	50,000	521,723	188,333	4,050,806

10. RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	Three months ended September 30, 2025 \$	Three months ended September 30, 2024 \$	Nine months ended September 30, 2025 \$	Nine months ended September 30, 2024 \$
Short-term employee benefits	46,899	173,198	139,335	486,902
Consulting fees paid to an officer	45,000	70,000	135,000	160,000
Consulting fees paid to directors and former directors	30,000	890,000	90,000	1,130,000
Total compensation to key management	121,899	1,133,198	364,335	1,776,902

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10. RELATED PARTY TRANSACTIONS (continued)

	Three months ended September 30, 2025 \$	Three months ended September 30, 2024 \$	Nine months ended September 30, 2025 \$	Nine months ended September 30, 2024 \$
Sales to a company controlled by a director	-	505,876	63,186	505,876
Accretion expense on convertible debt held by two directors	(337,228)	(26,346)	(920,446)	(26,346)
Gain (loss) on change in fair value – derivative liability on convertible debt held by two directors	127,050	(398,182)	2,602,616	(398,182)
Total compensation to key management	(210,178)	81,348	1,745,356	81,348

Outstanding balances from related parties include the following:

Presented within accounts receivables is \$nil for sales realized during the nine-month period ended September 30, 2025 (\$55,395 as at December 31, 2024) to a company controlled by a director.

Balances owed to related parties include the following:

Presented within the convertible debt is \$6,945,332 (\$8,627,502 as at December 31, 2024) for convertible debt held by companies controlled by two directors (refer to convertible debt 3, Note 8).

11. EXPENSES BY NATURE

	Three months ended September 30, 2025 \$	Three months ended September 30, 2024 \$	Nine months ended September 30, 2025 \$	Nine months ended September 30, 2024 \$
<i>Selling, general and administrative expenses:</i>				
Salaries and benefits	290,741	283,217	696,903	872,734
Rent	47,334	23,732	166,139	102,962
Depreciation, amortization and impairment	169,559	155,423	490,955	487,591
Share-based payments	-	44,175	-	94,689
Professional and consulting fees	628,611	1,628,875	855,130	2,439,379
Other	325,871	258,620	917,197	589,157
Total selling, general and administrative expenses	1,462,116	2,394,042	3,126,324	4,586,512

NuGen Medical Devices Inc.
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12. NET FINANCIAL EXPENSES

		Three months ended September 30, 2025 \$	Three months ended September 30, 2024 \$	Nine months ended September 30, 2025 \$	Nine months ended September 30, 2024 \$
Interest expense on lease liability and other		-	-	-	388
Interest on loan	7	11,927	33,393	33,896	33,393
Accretion expense – loan to Mosadex	7	-	82	-	12,346
Accretion expense – CEBA loan	7	2,337	1,904	6,597	5,064
Accretion expense – cash consideration due to Mosadex	7	108,376	82,316	298,950	198,417
Accretion and interest expense – convertible debts	8	678,112	246,541	1,869,574	736,689
Gain on change in fair value – derivative liability	8	(127,050)	398,182	(2,602,616)	398,182
Gain – debt settlement	7	-	-	-	(193,975)
Gain – derecognition of a debt	7	-	-	-	(303,603)
Contingent payment – new liability	7	-	-	-	450,369
Loss on foreign exchange		38,464	53,541	103,700	99,704
Total finance expenses		712,166	815,959	(289,899)	1,436,974

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13. FINANCIAL INSTRUMENTS – FAIR VALUE

The Company does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	Measurement	Carrying	Fair	Carrying	Fair
		value	value	value	value
		September	September	December	December
		30, 2025	30, 2025	31, 2024	31, 2024
		\$	\$	\$	\$
Financial Assets					
Cash and cash equivalent	Amortized cost	4,293,372	4,293,372	6,945,982	6,945,982
Restricted cash	Amortized cost	53,045	53,045	51,944	51,944
Accounts receivable	Amortized cost	35,897	35,897	99,962	99,962
		4,382,314	4,382,314	7,097,888	7,097,888
Financial Liabilities					
Accounts payable and other liabilities	Amortized cost	399,820	399,820	686,456	686,456
Long-term debt	Amortized cost	2,892,688	2,570,101	2,329,465	1,921,089
Convertible debt	Amortized cost	12,502,916	9,970,270	9,900,823	7,989,805
Convertible debt	FVTPL	2,920,285	2,920,285	5,522,901	5,522,901
		18,715,709	15,860,476	18,439,645	16,120,251

Short-term financial instruments, comprising cash and cash equivalent, restricted cash, accounts receivable, accounts payable and other liabilities are carried at amortized cost which, due to their short-term nature, approximates their fair value.

Long-term financial instruments consist of the long-term debt and convertible debts. They are carried at amortized cost and their fair value categorized under level 2 is measured based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks, except for the derivative of a convertible debt carried at fair value categorized under level 3 and measured using a Monte Carlo simulation as described in Note 8.

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14. SEGMENT REPORTING

The Company has one operating segment and one reportable segment, being the manufacturing of needless injector devices. The geographic information analyses the Company's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets. Geographic segment information of the Company's non-current assets and revenues as at September 30, 2025 and December 31, 2024 and for the periods then ended is as follows:

	September 30, 2025	December 31, 2024	
Non-current assets	\$	\$	
Canada	-	-	
Netherlands	5,154,258	5,084,566	
China	41,593	7,053	
Total	5,195,851	5,091,619	

	Three months ended	Three months ended	Nine months ended	Nine months ended
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenues	\$	\$	\$	\$
Europe	31,821	19,877	76,871	57,623
Asia	2,144	511,188	93,687	535,760
North America	-	-	1,972	-
Others	713	750	1,152	750
Total	34,678	531,815	173,682	594,133