

**INTERIM CARVE-OUT FINANCIAL STATEMENTS**

**AS OF SEPTEMBER 30, 2025**

**U.S. DOLLARS IN THOUSANDS**

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## **NOTICE TO READER**

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, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of these condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

November 20, 2025

**Carve-out Interim Balance Sheets**  
**As of September 30, 2025**  
**(U.S. dollars in thousands)**

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
	<b>Unaudited</b>	
<b>ASSETS</b>		
<b>Total Assets</b>	\$ -	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Total liabilities</b>	\$ -	\$ -
<b>Shareholders' equity</b>		
Reserve	17,518	16,062
Accumulated deficit	(17,518)	(16,062)
Total shareholders' equity	-	-
<b>Total liabilities and shareholders' equity</b>	\$ -	\$ -

**Carve-out Interim Statements of Operations**  
(U.S. dollars in thousands)

	<u>Note</u>	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating expenses:					
Research and development expenses	3	<u>500</u>	<u>419</u>	<u>1,456</u>	<u>1,260</u>
Net Loss		<u>\$ 500</u>	<u>\$ 419</u>	<u>\$ 1,456</u>	<u>\$ 1,260</u>

**Carve-Out Interim Statements of Changes in Shareholders' Equity**  
(U.S. dollars in thousands)

	<u>Reserve</u>	<u>Accumulated deficit</u>	<u>Total Shareholders' equity</u>
<b>BALANCE AT JANUARY 1, 2024</b>	\$ 14,335	\$ (14,335)	\$ -
Loss for the period	-	(1,260)	(1,260)
Capital contribution	1,260	-	1,260
<b>BALANCE AT SEPTEMBER 30, 2024</b>	<u>\$ 15,595</u>	<u>\$ (15,595)</u>	<u>\$ -</u>

	<u>Reserve</u>	<u>Accumulated deficit</u>	<u>Total Shareholders' equity</u>
<b>BALANCE AT JANUARY 1, 2025</b>	\$ 16,062	\$ (16,062)	\$ -
Loss for the period	-	(1,456)	(1,456)
Capital contribution	1,456	-	1,456
<b>BALANCE AT SEPTEMBER 30, 2025</b>	<u>\$ 17,518</u>	<u>\$ (17,518)</u>	<u>\$ -</u>

**Carve-out Interim Statements of Cashflows**  
(U.S. dollars in thousands)

	<b>Nine months ended September 30, 2025</b>	<b>Nine months ended September 30, 2024</b>
<b>Cash flows from operating activities</b>		
Net loss for the period	\$ (1,456)	\$ (1,260)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Share-based compensation	63	13
Net cash used in operating activities	(1,393)	(1,247)
<b>Cash flows from financing activities</b>		
Funds raised from parent company	1,393	1,247
Net cash provided by financing activities	1,393	1,247
<b>Increase (decrease) in cash and cash equivalents</b>	-	-
Cash and cash equivalents at beginning of period	-	-
Cash and cash equivalents at end of period	\$ -	\$ -

**NOTES TO THE CARVE-OUT INTERIM FINANCIAL STATEMENTS**  
**(in thousands, except share and per share data)**

**NOTE 1 - GENERAL INFORMATION**

**Nature of Operations**

SciSparc Ltd. (the "Company" or "SciSparc"), a pharmaceutical company, was incorporated in Israel and commenced its operations on August 23, 2004. In August 2015, the Company decided to adopt a new business strategy and began focusing on developing a portfolio of approved drugs based on cannabinoid molecules. With this focus, the Company is currently engaged in development programs based on  $\Delta$ 9-tetrahydrocannabinol ("THC") and/or non-psychoactive cannabidiol for the treatment of Tourette syndrome, Alzheimer's disease and agitation, pain, autism spectrum disorder and Status Epilepticus. On August 29, 2022, the Company established a wholly owned subsidiary, SciSparc Nutraceuticals Inc ("SNI"), which was incorporated under the laws of the state of Delaware. On September 12, 2022, the Company closed the acquisition of Welllution™ (The "Brand"), a seller Amazon.com Marketplace account, American food supplements and cosmetics brand and trademark.

On July 5, 2024, Miza III Ventures Inc. (the "Acquiring Company") entered into an agreement to purchase certain intellectual property assets of SciSparc (the "Target Assets") and a majority shareholder interest (the "Target Shares") in SNI by issuing common shares of the Acquiring Company in total value of CDN\$15,500,000.

The acquisition was not treated as business combination under the scope of International Financial Reporting Standard 3 (IFRS 3). The Company treats the acquisition as an acquisition of SciSparc (the "Target Assets") as a group reorganization that accounted for as a common control transaction (Pooling of Interest method). Accordingly, the company prepared carve-out financial statements for the purposes of complying with the rules and regulations of the TSXV in connection with an initial public offering (IPO) to reflect the acquisition as if it had occurred at the beginning of the earliest period presented in the statements. Therefore, the carve-out financial statements include the financial position, operating results, shareholders' equity and cash flows of the Target Assets from the transferring company.

For the nine months period ended September 30, 2025, the Company incurred net losses of \$1,456 and had accumulated losses from previous years in the amount of \$ 16,062. The Carve-out operation is dependent on the Group's ability to raise additional funds from existing and/or new investors. This dependency will continue until the Group is able to completely finance its operations by generating revenue from its products.

These factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying Carve-Out Abbreviated Financial Statements do not include any adjustments with respect to the carrying amounts of assets and liabilities and their classification that might be necessary should the Company be unable to continue to operate as a going concern.

**Basis of Presentation**

These accompanying Carve-Out Interim Financial Statements have been prepared on a carve-out basis from the Company's accounting records to represent the operating activities of the Target Assets being purchased by the Acquiring Company on a stand-alone basis as of September 30, 2025, and December 31, 2024, and for the three-and-nine month period ended September 30, 2025, and the year ended December 31, 2024 in accordance with International Financial Reporting Standards (IFRS). These Carve-Out Interim Financial Statements are not intended to be a complete presentation of the financial position and results of operations of the Company as they do not include corporate overhead, interest and income tax allocations and other income and expense items not directly associated with operations of the Company.

**NOTES TO THE CARVE-OUT ABBREVIATED INTERIM FINANCIAL STATEMENTS**  
**(in thousands, except share and per share data)**

**NOTE 1 - GENERAL INFORMATION (Cont.)**

The Carve-Out Interim Statement of Operations are direct operating expenses of the intellectual property related assets and represents the entire R&D expenses as presents in the consolidated interim financial statements of Scisparc Ltd, a public company traded on the NASDAQ stock exchange. Certain indirect expenses were not allocated and have been excluded from the Carve Out Interim Financial Statements. The Carve-Out Interim Financial Statements do not include interest expenses, income tax expenses and corporate-level overhead costs, such as executive management, accounting, tax, legal, compliance, and other general support functions at corporate-level, as these costs are not directly associated with the operating activities of the Company. The financial information presented herein is not fully indicative of the results that would have been achieved had the Business operated as a separate, stand-alone entity during the periods presented. In addition, the Carve-Out Interim Financial Statements are not indicative of the financial condition or results of operations to be expected in the future.

These Carve-Out Interim Financial Statements are prepared on the historical cost basis. The accounting policies have been consistently applied to all the periods presented. The Carve-Out Interim Financial Statements are presented in U.S. dollars which is the functional currency of the Company as this is the principal currency of the economic environment in which the Company operates.

**NOTE 2 -SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in the Carve-Out Interim Financial Statements for all periods presented, unless otherwise stated.

a. Basis of presentation of the financial statements:

- These Carve-Out Interim Financial Statements have been prepared in accordance with IFRS, as issued by the IASB, and IAS 34 Interim Financial Reporting.
- The Company's Carve-Out Interim Financial Statements have been prepared on a cost basis, unless otherwise indicated.
- The Company has elected to present the profit or loss items using the function of expense method.
- The Carve-Out Interim Financial Statements are presented in USD and all values are rounded to the nearest thousand ('000), except when otherwise indicated.

b. The operating cycle:

The operating cycle of the Company is one year.

c. Functional currency and foreign currency:

The functional currency of the Company, which is the currency that best reflects the economic environment in which the Company operates and conducts its transactions is the U.S. Dollar ("USD" or "\$"), since it's the primary currency of the economic environment in which the Company operates. The Carve-Out Interim Financial Statements are also presented in USD since the Company believes that preparing the Carve-Out Interim Financial Statements in USD provides more relevant information to the users of the Carve-Out Interim Financial Statements.

**NOTES TO THE CARVE-OUT INTERIM FINANCIAL STATEMENTS**  
**(in thousands, except share and per share data)**

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

d. Use of Accounting Estimates and Judgments:

The preparation of the Carve-Out Interim Financial Statements in conformity with the recognition and measurement principles of IFRS requires management to make certain judgments, estimates, and assumptions that affect the reported amounts in the accompanying Carve-Out Interim Financial Statements and in the related disclosures. These estimates are based on information available as of September 30, 2025, the date of the Carve-Out Interim Financial Statements and may differ from the actual results.

e. Research and development expenditures:

Research expenditures are recognized in profit or loss when incurred.

The conditions enabling capitalization of development costs as an asset have not yet been met and, therefore, all development expenditures are recognized in profit or loss when incurred.

**NOTE 3 - RESEARCH AND DEVELOPMENT EXPENSES:**

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
	2025	2024	2025	2024
Wages and related expenses	\$ 56	\$ 68	\$ 227	\$ 293
Share-based payment	21	5	63	13
Clinical studies	65	62	246	179
Regulatory, professional and other expenses	218	171	608	556
Research and preclinical studies	135	49	264	149
Chemistry and formulations	5	64	48	70
	<u>\$ 500</u>	<u>\$ 419</u>	<u>\$ 1,456</u>	<u>\$ 1,260</u>

During the period January 1, 2019, to 30 September 30, 2025, research and development expenses amounted to a total of \$11,885.