EMBioSys, Inc.
FINANCIAL STATEMENTS
Years Ended December 31, 2025, and 2024

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the management

EMBioSys, Inc.

North Andover, MA

I have reviewed the accompanying financial statements of EMBioSys, Inc. (The Company), which comprise the balance sheets as of December 31, 2025, and 2024, and the related statements of income, equity and cash flows for the years then ended, and the notes to financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of the Company and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Ernest L. Tomkiewicz CPA

Ernest L Tomkiewicz CPA PLLC

Concord, NH

April 23, 2026

EMBIOSYS INCORPORATED
Balance Sheet
As of December 31, 2025 and 2024

		2025		2024
ASSETS				
Current assets				
Cash and cash equivalents	$	5,089	$	17,516
Total current assets		**5,089**		**17,516**
Non-current assets				
Patents (net)		11,381		8,045
Total non-current assets		**11,381**		**8,045**
TOTAL ASSETS	**$**	**16,470**	**$**	**25,561**
LIABILITIES				
Current liabilities				
Credit card	$	3,992	$	979
Accrued expenses		49,000		22,000
Total current liabilities		**52,992**		**22,979**
Non-current liabilities				
Notes payable		7,910		48,930
Total non-current liabilities		**7,910**		**48,930**
TOTAL LIABILITIES	**$**	**60,902**	**$**	**71,909**
EQUITY				
Additional paid-in-capital	$	46,020	$	-
Retained earnings (accumulated deficit)		(90,452)		(46,348)
TOTAL EQUITY	**$**	**(44,432)**	**$**	**(46,348)**
TOTAL LIABILITIES AND EQUITY	**$**	**16,470**	**$**	**25,561**

EMBIOSYS INCORPORATED

Statement of Operations

For the years ended December 31, 205 and 2024

	2025	2024
Revenue		
Contracts	$ 489,994	$ 94,997
Contests	5,000	-
Gross Profit	**494,994**	**94,997**
Expenses		
Research and development expense	464,468	58,093
General and administrative expense	74,630	65,304
Total Expenses	**539,098**	**123,397**
Net income/(loss) from operations	**(44,104)**	**(28,400)**
Net income/(loss)	**$ (44,104)**	**$ (28,400)**

EMBIOSYS INCORPORATED

Statement of Changes in Stockholders Deficit

For the years ended December 31, 2025 and 2024

	Common Stock		Additional	Accumulated	
	Shares	Amount	Paid-in- Capital	Deficit	Total
Balance - December 31, 2023	**5,500,000**	**$ 6**	**$ -**	**$ (17,954)**	**$ (17,948)**
Stock options exercised	530,000	1	(1)	-	-
Share-based compensation	-	-	-	-	-
Net loss	-	-	-	(28,400)	(28,400)
Balance - December 31, 2024	**6,030,000**	**7**	**(1)**	**(46,354)**	**(46,348)**
Stock options exercised	35,000	-	-	-	-
Conversion of debt to equity	-	-	46,020	-	46,020
Share-based compensation	-	-	-	-	-
Net loss	-	-	-	(44,104)	(44,104)
Balance - December 31, 2025	**6,065,000**	**$ 7**	**$ 46,019**	**$ (90,458)**	**$ (44,432)**

EMBIOSYS INCORPORATED
Statement of Cash Flows
For the year ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (44,104)	$ (28,400)
(Increase) decrease from operating assets		
Amortization	520	423
Increase (decrease) from operating liabilities		
Credit care	3,013	(85)
Accrued expenses	27,000	22,000
Net cash provided by (used in) operating activities	**(13,571)**	**(6,062)**
CASH FLOWS FROM INVESTING ACTIVITES		
Patent costs	(3,856)	(8,468)
Net cash used in investing activities	**(3,856)**	**(8,468)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Notes Payable	-	31,500
Proceeds from additional paid-in-capital	5,000	0
Net cash provided by financing activities	**5,000**	**31,500**
Net increase (decrease) in cash	**(12,427)**	**16,970**
Cash and cash equivalents, beginning	**17,516**	**546**
Cash and cash equivalents, ending	**$ 5,089**	**$ 17,516**

EMBioSys, Inc.
NOTES TO FINANCIAL STATEMENTS
For Years Ended December 31, 2025, and 2024

NOTE A – THE COMPANY

Nature of Operations and Revenue

EMBioSys has developed a therapeutic non-pharmacological, electrode-free wearable garment called Efinia™ that delivers iEF Therapy (low intensity induced electric fields) to improve patient outcomes for treatment of breast cancer. This novel platform technology offers physicians a low risk, easily tolerated therapy to potentiate the standard of care for treatment of solid tumors, starting with breast cancer.

As a medical device manufacturer without any product approval yet from the FDA, there is no product revenue. The source of funding for operations and development have been primarily through SBIR grants from NIH.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Cash and Cash Equivalents

The Company considers cash, money market accounts and short-term, highly liquid investments with a maturity of three months or less, as cash in the financial statements. The balance of cash is held in FDIC insured bank accounts. There were no cash equivalents as of December 31, 2025, or 2024. The Company's cash balance is $5,089 at December 31, 2025, and $14,516 at December 31, 2024.

Taxes

The Company does not have a provision for federal income tax liability account for 2025, or 2024. All federal and state tax filings are current. The Company has a net operating loss carry forward for tax purposes. The Company is unable to determine if any benefit from a deferred tax asset will be attainable in the future and as such, does not recognize a deferred tax asset as of December 31, 2025, or 2024.

The Company uses a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit, including resolution of the related appeals or litigation processes. The second step is to measure the tax benefit at the largest amount, which is more than 50% likely of being realized upon the settlement. Adoption of such guidelines do not have a material effect on the financial statements. As of December 31, 2025, and 2024, there are no uncertain tax positions.

Capitalization Policy

The Company capitalizes property and equipment with a cost over $2,500 and an estimated useful life of more than one year. Improvements to the building are capitalized if they extend the original useful life of the building or increase its valuation. Property and equipment are recorded at cost. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Building and improvements	27.5 years
Furniture, fixtures and equipment	3 - 7 years
Vehicles	7 years

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivables are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect are reported in the results of operations of the year in which those differences are determined, with an offsetting entry to an allowance for credit losses. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Allowance for Credit Losses

The Company operates in the medical care sector, and its accounts receivables are primarily derived from service and sales fees. At each balance sheet date, the Company evaluates an expected allowance for credit losses. In addition, this evaluation is updated to reflect any changes in credit risk since the receivable was initially recorded. This evaluation is calculated on a pooled basis where similar risk characteristics exist.

The allowance estimate is derived from a review of the Company's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Company's portfolio has remained constant since the Company's inception. The allowance for credit losses is $0 for the as of December 31, 2025, and 2024.

The Company writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made

from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the entity's accounting policy election. The total amount of write-offs is immaterial to the financial statements as a whole for the years ending December 31, 2025, and 2024.

Regarding the adoption of ASC 326, management has elected the following practical expedients (ASU) 2025-05 under early adoption:

1. When estimating expected credit losses on current (short-term) accounts receivable and current contract assets from ASC 606 transactions, the Company assumes current conditions at the balance-sheet date remain unchanged over the asset's remaining life when developing a "reasonable and supportable" forecast. Also, considered are customer-specific facts and adjustments to historical loss rates for current conditions.

2. The Company also considers cash collections that occur after the balance-sheet date, but before the financial statements are available to be issued, in the loss estimate.

Fair Value Measurements

The Company has determined the fair value of certain assets and liabilities in accordance with United States generally accepted accounting principles ("GAAP"), which provides a framework for measuring fair value.

Financial Accounting Standards Board ("FASB") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).

Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered.

Revenue Recognition

The Company has adopted ASC 606, Revenue from Contracts with Customers. There was no transition adjustment recorded upon the adoption of ASC 606. Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services.

To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

Leases

The Company follows FASB ASU No. 2017-02, “Leases (Topic 842),” which requires Companies that lease assets, referred to as "lessees," to recognize on the balance sheet the assets and liabilities for the rights and obligations created by those leases with lease terms of more than 12 months. ASU 2017-02 will also require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases and will include qualitative and quantitative requirements. As of December 31, 2025, and 2024, the Company holds no leases which require recognition in the financial statements.

Regarding the adoption of ASC 842, management has elected the following practical expedients:

ASC 842-10-65-1(f)

1. The Company need not reassess whether any expired or existing contracts are or contain leases.
2. The Company need not reassess the lease classification for any expired or existing leases.
3. The Company need not reassess initial direct costs for any existing lease.

ASC 842-20-30-3

The Company elects to use the risk-free rate as the discount rate, when the rate is not implicit in the lease is not readily determinable, in lieu of calculating an incremental borrowing rate. The Company elects this practical expedient for both financing and operating leases.

ASC 842-10-15-37

The Company elects not to separate non-lease components from lease components and instead to account for each separate lease component and non-lease components associated with the lease component as a single lease component. The Company elects this practical expedient for both financing and operating leases.

ASC 842-20-25-2

The Company elects not to apply the recognition requirements of ASC 842 to short-term leases. Short-term leases are leases that, at the commencement date, have a term lease of twelve months or less and does not include an option to purchase the

underlying asset that the Company is reasonably certain to exercise, or a lease management intends to renew. The Company elects this practical expedient for both financing and operating leases.

Advertising Costs

The cost of all advertising is expensed as incurred by the Company. Advertising costs for the years ended December 31, 2025, and 2024 was $1,120, and $0, respectively.

Stock-Based Compensation

The Company recognizes expense for stock-based compensation in accordance with ASC Topic 718, Stock-Based Compensation. ASC 718 addresses the accounting for share-based payment transactions in which an enterprise receives services from employees, or nonemployees, in exchange for equity instruments of he enterprise or liabilities that are based on the fair value of the enterprise's equity instrument or that may be settled by the issuance of such equity instruments. ASC 718 requires the Company measure all stock options and other stock-based awards based on the fair value on the date of the grant and recognize compensation expense of those awards, net of estimated forfeitures, over the requisite service period, which is generally the vesting period of the respective award, and is calculated using the grant date's share price for restricted stock awards and the Black-Sholes option pricing model for stock options. Generally, the Company grants equity awards with only service-based vesting conditions and records the expense using the straight-line method.

In considering the fair value of the underlying stock when the Company granted options, the Company will consider several factors including the fair values established by market transactions. Stock option-based compensation includes significant estimates and judgments of when stock options might be exercised, forfeiture rates and stock price volatility. The timing of option exercises is out of the Company's control and depends upon a number of factors including the Company's market value and the financial objectives of the option holders. These estimates can have a material impact on the stock compensation expense but will have no impact on the cash flows. The estimation of share-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period the estimates are revised.

The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model. The Company is a private company and lacks company-specific historical and implied volatility information. Therefore, it estimates its expected stock volatility based on the historical data regarding the volatility of a publicly traded set of peer companies. The expected term of stock options granted to nonemployees is between 5 and 7 years. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award.

NOTE C – PATENTS

As of December 31, 2025, and 2024 the Company holds patents in the amount of $12,324, and $8,468, respectively. Amortization expense for the years ended December 31, 2025 and 2024

was $520, and $423, respectively. Accumulated amortization was $943, and $423 as of December 31, 2025, and 2024, respectively. Patents are amortized over a period of 20 years and are tested periodically for impairment.

NOTE D – NOTES PAYABLE

The Company holds notes payable to related parties at December 31, 2025, and 2024. The total amount owed is $7,910 at year end 2025 and $48,930 at year end 2024, and are unsecured with a zero percent interest rate. The full amount is held as a non-current liability as the Company cannot determine when it will pay back the amounts owed. Notes issued to two cofounders during the period spanning 2022-2025 were forgiven and converted to additional paid in capital as of December 31, 2025.

NOTE E – ACCRUED EXPENSES

Unpaid consultant fees are associated with early-stage company advisor agreements that included deferred compensation in exchange for consulting services rendered prior to a trigger event. Payment(s) of these fees are triggered by a company equity financing in which the company issues or sells shares of common or preferred stock in connection with raising capital from investors, or closing of $1 Million dollar transaction (or more) individually or in aggregate in the form of a Simple Agreement for Future Equity (“SAFE”), convertible or non-convertible debt facility or any combination thereof.

NOTE F – STOCK-BASED COMPENSATION

On March 5, 2024, the Company established the 2024 Stock Plan which was subsequently amended on June 24, 2024. The number of shares available for grant or option under the plan at adoption shall not exceed 970,588 shares which was amended to 1,000,000 shares on June 24, 2024. The shares granted or optioned under this plan may be either authorized but unissued or reacquired shares. Awards under the plan may consist of (i) options, (ii) stock awards, and (iii) restricted stock.

The 2024 Stock Incentive Plan may grant restricted stock to eligible persons which entitle the participants to receive the shares underlying those awards upon vesting or upon the expiration of a designated time period following the vesting of those awards. Restricted stock may, in the discretion of the plan administrator, vest in one or more installments over the participant's period of service or upon the attainment of specified performance objectives. Outstanding restricted stock shall automatically terminate, and no shares of common stock shall be issued in satisfaction of those awards, if the performance goals or service requirements established for those awards are not attained or satisfied. The plan administrator shall have the discretionary authority to issue vested shares of common stock under one or more outstanding awards of restricted stock as to which the designated performance goals or service requirements have not been attained or satisfied.

Stock Options

A summary of the stock option activity under the Company's Stock Plan for the year ended December 31, 2024 is as follows:

	Shares	Weighted Average Grant Date Fair Value	Weighted Average Contractual Life (in Years)
Outstanding at January 1, 2024	-	$ -	-
Granted	530,000	$ -	5.70
Exercised	(530,000)	$ -	5.70
Forfeited	-	$ -	-
Outstanding at December 31, 2024	-	$ -	-

All 530,000 options granted during 2024 were early exercised by the recipients concurrent with the date of grant. Although the options were exercised early, the underlying shares remain subject to the Company's original vesting schedule and are subject to repurchase by the Company at the original exercise price in the event of the recipient's termination prior to vesting. Accordingly, the early-exercise shares are accounted for as unvested restricted shares and are not deemed outstanding for financial reporting purposes until the repurchase right lapses in accordance with the vesting criteria. As of December 31, 2024, there were 436,066 unvested restricted shares outstanding.

A summary of the stock option activity under the Company's Stock Plan for the year ended December 31, 2025 is as follows:

	Options	Weighted Average Grant Date Fair Value	Weighted Average Contractual Life (in Years)
Outstanding at January 1, 2025	-	$ -	-
Granted	35,000	$ -	5.75
Exercised	(35,000)	$ -	5.75
Forfeited	-	$ -	-
Outstanding at December 31, 2025	-	$ -	-

All 35,000 options granted during 2025 were early exercised by the recipients concurrent with the date of grant. Although the options were exercised early, the underlying shares remain subject to the Company's original vesting schedule and are subject to repurchase by the Company at the original exercise price in the event of the recipient's termination prior to vesting. Accordingly, the early-exercise shares are accounted for as unvested restricted shares and are not deemed outstanding for financial reporting purposes until the repurchase right lapses in accordance with the vesting criteria. As of December 31, 2025, there were 101,900 unvested restricted shares outstanding.

The Company has estimated the fair value of all stock option awards as of the date of grant by applying the Black-Scholes option-pricing model. The weighted average assumptions used in determining the fair value of the options granted are as follows:

	2024	2025
Risk-free interest rate	4.19%	4.36%
Expected life	5.70	5.75
Expected volatility	99%	99%
Expected dividend yield	0%	0%

As of December 31, 2025 and 2024, there was no unrecognized compensation expense related to stock options.

NOTE G – RISK MANAGEMENT AND UNCERTAINTY

Monetary

The Company may, at times, maintains cash balances with banks in excess of the federally insured amount. This policy is routinely reviewed for sustainability and as of the date of management's review, has been found to be appropriate. At December 31, 2025, and 2024, the amount in excess of the insured amount is $0.

Insurance

The Company is exposed to various risks of loss related to tort, theft of, damage to and destruction of assets, errors and omissions, and job-related illness or injuries to employees for which it carries commercial insurance to cover the risk of loss for both property and business liability. There are no known claims of incidents that may result in the assumption of material claims arising from potential losses as of December 31, 2025, and 2024.

Legal

The Company, from time to time, may be involved with lawsuits arising in the ordinary course of business. In the opinion of the Company's management, any liability resulting from such litigation would not be material in relation to the Company's financial position, results of operations and cash flows. There is no pending or threatened litigation.

General

Business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse conditions may include recession, downturn or otherwise, changes in regulations or restrictions on imports, competition or changes in consumer taste. These adverse conditions could affect the Company's financial condition and the results of its operations. As of December 31, 2025, and 2024, the Company is operating as a going concern.

NOTE H - AVAILABILITY AND LIQUIDITY

The following represents the Company's financial assets for the year ended December 31, 2025:

Cash	$5,089

For the year ended December 31, 2025, the Company reports working capital in the amount of $(47,903).

The following represents the Company's financial assets for the year ended December 31, 2024:

Cash	$17,516

For the year ended December 31, 2024, the Company reports working capital in the amount of $(5,463).

NOTE I – GOING CONCERN

These financial statements are prepared on a going concern basis. The Company’s ability to continue is dependent upon managements plan to grow profitable operations and raise additional funds. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern. As of December 31, 2025, and 2024, the Company is operating as a going concern.

NOTE J – SUBSEQUENT EVENTS

In 2026, the Company authorized the sale of convertible promissory notes up to an aggregate $2,000,000 (the “2026 Convertible Notes”). As of the date of these financial statements the Company has entered into convertible promissory notes of approximately $50,000. The 2026 Convertible Notes accrue interest at a rate of 8% per year. All unpaid principal and interest will be due and payable on the earlier of (i) January 22, 2028, or (ii) when, upon the occurrence and during the continuance of an event of default, as defined in the agreement. The 2026 Convertible Notes can be prepaid without penalty with the consent of the majority in interest of the investors.

NOTE K - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, The Company has evaluated events and transactions for potential recognition or disclosure through April 23, 2026, the date that the financial statements were available to be issued.