

NILLION LABS LIMITED
ABRIDGED UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

NILLION LABS LIMITED

CONTENTS

	Page
Directors' Responsibilities Statement	3
Accountants' Report	4
Statement of Financial Position	5 - 6
Notes to the Financial Statements	7 - 12

NILLION LABS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors made the following statement in respect of the unaudited financial statements:

"General responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard, issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' declaration on unaudited financial statements

In relation to the financial statements which comprise the Statement of Financial Position and the related notes:

The directors approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgements underlying them. They have been prepared on the going concern basis on the grounds that the company will continue in business.

The directors confirm that they have made available to Baker Tilly Ireland Limited Partnership, (Chartered Certified Accountants), all the company's accounting records and provided all the information, books and documents necessary for the compilation of the financial statements.

The directors confirm that to the best of their knowledge and belief, the accounting records reflect all the transactions of the company for the financial year ended 31 December 2024."

Signed on behalf of the board

Alexander Page
Director

Date: 3rd December 2025

Miguel de Vega Rodrigo
Director

Date: 3rd December 2025

NILLION LABS LIMITED

ACCOUNTANTS REPORT TO THE BOARD OF DIRECTORS ON THE COMPILATION OF THE UNAUDITED ABRIDGED FINANCIAL STATEMENTS OF NILLION LABS LIMITED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

In accordance with the engagement letter and in order to assist you to fulfil your duties under the Companies Act 2014, we have compiled for your approval the abridged financial statements of the company for the financial year ended 31 December 2024 as set out on pages 5 to 12 which comprise the Statement of Financial Position and the related notes from the company's accounting records and information and explanations you have given to us.

This report is made solely to the Board of Directors of Nillion Labs Limited, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with guidance issued by and have complied with the relevant ethical guidance laid down by relating to members undertaking the compilation of financial statements.

You have acknowledged on the Statement of Financial Position for the year ended 31 December 2024 your duty to ensure that Nillion Labs Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Nillion Labs Limited. You consider that Nillion Labs Limited is exempt from the statutory audit requirement for the financial year.

We have not been instructed to carry out an audit or a review of the abridged financial statements of Nillion Labs Limited. For this reason, we have not verified the adequacy, accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory abridged financial statements.

Baker Tilly Ireland Limited Partnership,
Chartered Certified Accountants,
Penthouse Floor,
5 Lapps Quay,
Cork.

Date: 3rd December 2025

NILLION LABS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	2024 €	2023 €
Non-Current Assets			
Investments	7	<u>4</u>	<u>4</u>
Current Assets			
Debtors	8	4,315,852	3,216,042
Cash and cash equivalents		<u>7,783,836</u>	<u>953,951</u>
		12,099,688	4,169,993
Creditors: amounts falling due within one year	9	<u>(11,059,816)</u>	<u>(3,544,301)</u>
Net Current Assets		<u>1,039,872</u>	<u>625,692</u>
Total Assets less Current Liabilities		<u><u>1,039,876</u></u>	<u><u>625,696</u></u>
Capital and Reserves			
Called up share capital presented as equity	11	10,000	10,000
Profit and Loss Account	12	<u>1,029,876</u>	<u>615,696</u>
Equity attributable to owners of the company		<u><u>1,039,876</u></u>	<u><u>625,696</u></u>

NILLION LABS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

We as Directors of Nillion Labs Limited, state that -

(a) the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014,

(b) the company is availing itself of the exemption on the grounds that the conditions specified in section 358 are satisfied,

(c) the shareholders of the company have not served a notice on the company under section 334(1) in accordance with section 334(2),

(d) we acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare financial statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a financial year and to otherwise comply with the provisions of the Companies Act 2014 relating to financial statements so far as they are applicable to the company,

(e) the company has relied on the specified exemption contained in section 352 Companies Act 2014. The company has done so on the grounds that the company is entitled to the benefit of that exemption as a small company and the abridged financial statements have been properly prepared in accordance with section 353 Companies Act 2014 and the small companies' regime.

Approved by the board on 3rd December 2025 and signed on its behalf by:

Alexander Page
Director

Miguel de Vega Rodrigo
Director

NILLION LABS LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

Nillion Labs Limited is a company limited by shares incorporated and registered in the Republic of Ireland. The registered number of the company is 708734. The registered office of the company is Penthouse Floor, 5 Lapps Quay, Cork. The principal activity of the company is the designing and development of software to support the creation of a platform for secure, decentralised data processing as well as data storage. The company provides internet infrastructure for the private storage, computation decentralisation of data on a decentralised network that utilises a novel mathematical innovation called Nil Message Compute (NMC). The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Minted pre-functioning utility tokens

The company split-minted 250 million pre-functioning utility tokens, NIL, in accordance with a Service Agreement with Nillion Association. The NIL token will be implemented using Ethereum's ERC-20 standard. The management have conducted an assessment and concluded that the NIL tokens meet the separability and identifiability criterion for recognition as an intangible assets. As at the reporting date, there is insufficient information available to determine the value of the NIL tokens before issue, therefore, the management have concluded that the value of NIL tokens cannot be measured reliably and as such, have not recognised an intangible asset in the financial statements. This assumption have a significant risk of causing a material adjustment to intangible assets in the next financial year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 31 December 2024 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2014.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014 and Section 1A of FRS 102.

Turnover

Turnover comprises the invoice value of services supplied by the company, exclusive of trade discounts and value added tax.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related withholding tax is recognised in the Profit and Loss Account in the financial year in which it is receivable.

NILLION LABS LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within Creditors.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Statement of Financial Position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

4. TURNOVER

The whole of the company's turnover is attributable to its market in the Republic of Ireland and is derived from the principal activity of the designing and development of software to support the creation of a platform for secure, decentralised data processing as well as data storage.

5. OPERATING PROFIT

	2024	2023
	€	€
Operating profit is stated after charging:		
Loss on foreign currencies	304,267	94,250
	<u> </u>	<u> </u>

NILLION LABS LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. EMPLOYEES

The average monthly number of employees, including directors, during the financial year was 5, (2023 - 6).

	2024	2023
	Number	Number
Directors	3	4
Employees	2	2
	<u>5</u>	<u>6</u>

7. INVESTMENTS

	Subsidiary	Total
	undertakings	
	shares	
	€	€
Investments		
Cost		
Additions	4	4
At 31 December 2024	<u>4</u>	<u>4</u>
Net book value		
At 31 December 2024	<u>4</u>	<u>4</u>

8. DEBTORS

	2024	2023
	€	€
Trade debtors	488,118	1,388,757
Amounts owed by related parties	3,494,457	1,626,923
Other debtors	66,673	39,875
Taxation	69,842	6,318
Prepayments	196,762	11,860
Accrued income	-	142,309
	<u>4,315,852</u>	<u>3,216,042</u>

9. CREDITORS

Amounts falling due within one year

	2024	2023
	€	€
Amounts owed to credit institutions	116	-
Trade creditors	4,469,179	2,049,623
Taxation	96,055	46,560
Other creditors	6,252,469	1,300,863
Accruals	241,997	147,255
	<u>11,059,816</u>	<u>3,544,301</u>

NILLION LABS LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. TAXATION		2024	2023
		€	€
Debtors:			
VAT		69,842	6,318
Creditors:			
Corporation tax		91,586	37,084
PAYE		4,469	9,476
		96,055	46,560

11. SHARE CAPITAL		2024	2023
		€	€
Description	Number of shares	Value of units	
Authorised			
Ordinary Shares	100,000	€1.00 each	100,000
			100,000
Allotted, called up and fully paid			
Ordinary Shares	10,000	€1.00 each	10,000
			10,000

The directors' and the secretary's interests in the shares of the company are as follows:-

Name	Class of Shares	Number Held	
		At 31/12/24	01/01/24
Michael King	Ordinary Shares	-	2,500
Alexander Page	Ordinary Shares	10,000	2,500
Miguel de Vega Rodrigo	Ordinary Shares	-	2,500
		10,000	7,500

12. PROFIT AND LOSS ACCOUNT		2024	2023
		€	€
At 1 January 2024		615,696	203,908
Profit for the financial year		604,180	411,788
Payment of dividends		(190,000)	-
At 31 December 2024		1,029,876	615,696

13. CAPITAL COMMITMENTS

The company had no material capital commitments at the financial year-ended 31 December 2024.

NILLION LABS LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. CONTINGENT LIABILITIES

Nillion Labs Limited entered into secondment agreements with a third party company through which they acquired key employees to write code and develop maths for the benefit of Nillion Labs Limited. Nillion Labs Limited has a services sharing arrangement with Nillion Network, via which Nillion Labs Limited IP would be shared for full use by Nillion Network. In addition to the IP that was created pursuant to the secondment agreements, Nillion Labs Limited would ideally like to acquire pre-existing patent applications from the third party company that seconded the employees; funds have been earmarked by Nillion Labs Limited for this intended purchase, though the final purchase price has not yet been determined. In the event that negotiations are not satisfactorily concluded, Nillion Labs Limited may incur legal fees to dispute the patent matters. It is probable that the matter will result in an outflow of cash from the entity. As at 31 December 2024, the amount of the obligation (contractual repercussions or cost of legal fees) cannot be estimated reliably.

15. DIRECTORS' REMUNERATION	2024	2023
	€	€
Remuneration	30,000	-
	<u>30,000</u>	<u>-</u>

16. RELATED PARTY TRANSACTIONS

	2024	2023
	€	€
Finance amounts (due from) related parties	(3,494,457)	(1,626,923)
	<u>(3,494,457)</u>	<u>(1,626,923)</u>

The company has a service agreement with a connected party, Nillion Network (incorporated in Switzerland) with whom it shares common directors. In addition, the company has a service agreement with the following group companies; Nilogy B.V (incorporated in the Netherlands), Nilogy (UK) Limited (incorporated in the United Kingdom), Nilogy (USA) Incorporated (incorporated in the United States of America) and Nil Labs ES, S.L.U (incorporated in the Spain).

The company invoiced €12,707,633 for the services provided to Nillion Network during the financial period under review. As at 31 December 2024, there was a trade debtor of €488,118 receivable from Nillion Network.

As at 31 December 2024, trade payables owing to related parties were as follows:

- Nilogy (UK) Limited	: €177,274
- Nilogy B.V	: €50,926
-Nilogy (USA) Incorporated	: €3,886,535
-Nil Labs ES, S.L.U	: €61,056

As at 31 December 2024, amounts owed by related parties were as follows:

- Nilogy (UK) Limited	: €17,816
- Nilogy B.V	: € 3,276
-Nilogy (USA) Incorporated	: €3,470,365
-Nil Labs ES, S.L.U	: €3,000

17. CONTROLLING INTEREST

Alexander Page is regarded as the controlling party.

18. EVENTS AFTER THE END OF THE REPORTING PERIOD

Following the financial year under review, the NIL tokens were successfully listed on multiple cryptocurrency exchange platforms from 24 March 2025. The NIL tokens exist on an active market from 24 March 2025.

Except for the above reported matter, there are no other significant events or matters that occurred after the reporting period.

**NILLION LABS LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 3rd December 2025.