

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-38659

BIOSIG TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation
or organization)

26-4333375

(IRS Employer
Identification No.)

12424 Wilshire Blvd., Suite 745

Los Angeles, CA

(Address of principal executive office)

90025

(Zip Code)

(203) 409-5444

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	BSGM	The NASDAQ Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 14, 2025, there were 31,418,795 shares of the registrant's common stock, par value \$0.001 per share, outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BIOSIG TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Par Value and Share Amounts)

	June 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
Current assets:		
Cash	\$ 2,820	\$ 142
Accounts receivable, net	-	109
Sales tax receivable	18	-
Due from related party	11	-
Net investment in leases, short term	-	13
Prepaid expenses and vendor deposits	152	80
Total current assets	3,001	344
Non-current assets:		
Property and equipment, net	53	85
Right-to-use assets, net	14	96
Net investment in leases, long term	-	4
Other assets	44	44
Intangible assets, net	47,917	269
Goodwill	58,692	-
Total non-current assets	106,720	498
Total assets	\$ 109,721	\$ 842
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses, including \$466 and \$19 to related parties as of June 30, 2025 and December 31, 2024, respectively	\$ 7,572	\$ 2,052
Derivative liability	105,498	-
Dividends payable	115	110
Lease liability, short term	15	102
Total current liabilities	113,200	2,264
Total liabilities	113,200	2,264
Commitments and contingencies (Note 12)		
Mezzanine Equity		
Redeemable Series C 9% Convertible Preferred Stock, \$0.001 par value, \$1,000 stated value, authorized 4,200 shares, 105 shares issued and outstanding; (liquidation preference of \$105; cumulative dividends payable of \$115 and \$110 as of June 30, 2025 and December 31, 2024, respectively)	105	105
Stockholders' deficit:		
Preferred stock, \$0.001 par value, authorized 1,000,000 shares, designated 200 shares of Series A, 600 shares of Series B, 4,200 shares of Series C, 1,400 shares of Series D, 1,000 shares of Series E, 200,000 shares of Series F Preferred Stock.	-	-
Common stock, \$0.001 par value, authorized 200,000,000 shares, 30,793,135 and 17,239,096 issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	31	17
Additional paid-in-capital	273,343	253,784
Accumulated other comprehensive income	1,538	-
Accumulated deficit	(278,529)	(255,345)
Total stockholders' deficit attributable to BioSig Technologies, Inc.	(3,617)	(1,544)
Non-controlling interest	33	17
Total stockholders' deficit	(3,584)	(1,527)
Total liabilities, mezzanine equity and stockholders' deficit	\$ 109,721	\$ 842

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In Thousands, Except Par Value and Share Amounts)
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ -	\$ 13	\$ -	\$ 27
Operating expenses:				
Research and development	19	342	25	580
General and administrative	19,792	4,914	22,748	7,796
Impairment of long term assets	-	-	-	253
Depreciation and amortization	554	49	577	127
Total operating expenses	20,365	5,305	23,350	8,756
Loss from operations	(20,365)	(5,292)	(23,350)	(8,729)
Other income (expense):				
Interest income, net	13	(5)	13	(8)
Gain (loss) on settlement and forgiveness of debt	(3)	1,388	196	1,388
Other income (expense), net:	(13)	(2)	(28)	23
Total other income (expense), net	(3)	1,381	181	1,403
Loss before income taxes	(20,368)	(3,911)	(23,169)	(7,326)
Income taxes (benefit)	-	-	-	-
Net loss	(20,368)	(3,911)	(23,169)	(7,326)
Non-controlling interest	(4)	(4)	(16)	9
Net loss attributable to BioSig Technologies, Inc.	(20,372)	(3,915)	(23,185)	(7,317)
Preferred stock dividend	(2)	(3)	(5)	(5)
Preferred stock deemed dividend	-	-	-	(133)
Net loss attributed to BioSig Technologies, Inc. Common Shareholders	(20,374)	(3,918)	(23,190)	(7,455)
Net loss per common share, basic and diluted	\$ (0.74)	\$ (0.30)	\$ (0.95)	\$ (0.65)
Weighted average number of common shares outstanding, basic and diluted	27,706,780	12,916,272	24,286,234	11,386,266
Comprehensive Income (Loss):				
Net loss	\$ (20,368)	\$ (3,911)	\$ (23,169)	\$ (7,326)
Other comprehensive income:				
Foreign currency translation adjustments	1,538	-	1,538	-
Total comprehensive loss	(18,830)	(3,911)	(21,631)	(7,326)
Comprehensive (loss) income attributable to non-controlling interest	(4)	(4)	(16)	9
Comprehensive (loss) income attributable to BioSig Technologies, Inc.	\$ (18,834)	\$ (3,915)	\$ (21,647)	\$ (7,317)

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(In Thousands, Except Par Value and Share Amounts)
(Unaudited)

	Common stock		Additional	Accumulated	Accumulated	Non-	Total
	Shares	Amount	Paid-in- Capital	Deficit	Other Comprehensive Income	controlling Interest	
Balance, December 31, 2024	17,239,096	\$ 17	\$ 253,784	\$ (255,345)	\$ -	\$ 17	\$ (1,527)
Common stock issued for services	1,438,542	2	1,960	-	-	-	1,962
Exercise of warrants	48,996	*	*	-	-	-	-
Stock based compensation	225,001	*	112	-	-	-	112
Sale of common stock under at-the- market offering, net of transaction costs	4,403,166	4	3,878	-	-	-	3,882
Sale of common stock and warrants	758,514	1	817	-	-	-	818
Common stock issued to settle accounts payable	135,000	*	189	-	-	-	189
Preferred stock dividend	-	-	(2)	-	-	-	(2)
Net loss	-	-	-	(2,812)	-	12	(2,800)
Balance, March 31, 2025 (unaudited)	24,248,315	\$ 24	\$ 260,738	\$ (258,157)	\$ -	\$ 29	\$ 2,634
Common stock issued for services	3,758,380	4	5,278	-	-	-	5,282
Exercise of warrants	818,827	1	(1)	-	-	-	-
Common stock cancelled	(272,399)	*	-	-	-	-	-
Stock based compensation	2,240,012	2	7,330	-	-	-	7,332
Preferred stock dividend	-	-	(2)	-	-	-	(2)
Other comprehensive income	-	-	-	-	1,538	-	1,538
Net loss	-	-	-	(20,372)	-	4	(20,368)
Balance, June 30, 2025 (unaudited)	30,793,135	\$ 31	\$ 273,343	\$ (278,529)	\$ 1,538	\$ 33	\$ (3,584)

	Common stock		Additional	Accumulated	Non-	Total
	Shares	Amount	Paid in Capital	Deficit	controlling Interest	
Balance, December 31, 2023	9,040,043	\$ 9	\$ 241,988	\$ (245,015)	\$ 26	\$ (2,992)
Common stock issued for services	1,862,744	2	1,249	-	-	1,251
Sale of common stock and warrants	260,720	*	1,040	-	-	1,040
Stock based compensation	1,500	*	(190)	-	-	(190)
Accretion of deemed preferred stock dividend	-	-	133	-	-	133
Deemed preferred stock dividend	-	-	(133)	-	-	(133)
Preferred stock dividend	-	-	(2)	-	-	(2)
Net loss	-	-	-	(3,402)	(13)	(3,415)
Balance, March 31, 2024 (unaudited)	11,165,007	\$ 11	\$ 244,085	\$ (248,417)	\$ 13	\$ (4,308)
Common stock issued for services	278,000	*	420	-	-	420
Sale of common stock and warrants, net transactional costs	434,782	1	635	-	-	636
Common stock issued in exchange for principal and accrued interest on a note payable	348,624	*	509	-	-	509
Sale of common stock and warrants, net transactional costs	1,570,683	2	2,532	-	-	2,534
Stock issued as forgiveness of accounts payable	75,000	*	122	-	-	122
Stock based compensation	1,238,750	1	4,011	-	-	4,012
Preferred stock dividend	-	-	(3)	-	-	(3)
Net loss	-	-	-	(3,915)	4	(3,911)
Balance, June 30, 2024 (unaudited)	15,110,846	\$ 15	\$ 252,311	\$ (252,332)	\$ 17	\$ 11

*- less than \$1

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands, Except Par Value and Share Amounts)
(unaudited)

	For the Six Months Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (23,169)	\$ (7,326)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization	577	127
Gain on settlement of debt	(196)	(1,388)
Non-cash lease expense	82	155
Common stock issued for services rendered	7,244	-
Stock based compensation	7,444	5,493
Allowance for credit losses on accounts receivable	109	-
Impairment of long-term assets	-	253
Changes in operating assets and liabilities:		
Accounts receivable	-	(30)
Lease receivables	-	51
Sales tax receivable	(3)	-
Employee advances	-	5
Unbilled revenue	13	-
Prepaid expenses	(45)	42
Customer deposits	-	(7)
Accounts payable and accrued expenses	5,638	-
Operating lease liabilities	(87)	(170)
Net cash used in operating activities	(2,393)	(2,795)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Business acquisition, net of cash acquired	366	-
Net cash provided by investing activity	366	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Sale of common stock under at-the- market offering, net of transaction costs	3,882	-
Sale of common stock and warrants	818	-
Proceeds from issuance of related party note payable	-	500
Proceeds from sale of common stock and warrants, net of issuance costs	-	4,209
Net cash provided by financing activities	4,700	4,709
Effect of exchange rate changes on cash and cash equivalents	5	-
Net increase in cash and cash equivalents	2,678	1,914
Cash, beginning of the period	142	190
Cash, end of the period	\$ 2,820	\$ 2,104
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for income taxes	\$ -	\$ -
Non cash investing and financing activities:		
Recognition of derivative liability as part of business combination (non-cash)	\$ 105,498	\$ -
Recognition of assets acquired as part of business combination (non-cash)	\$ 105,394	\$ -
Recognition of liabilities assumed as part of business combination (non-cash)	\$ 262	\$ -
Common stock issued in settlement of accounts payable	\$ 189	\$ 122
Dividend payable on preferred stock charged to additional paid-in-capital	\$ 5	\$ 5
Series C convertible preferred stock deemed dividend	\$ -	\$ 133
Common stock issued for conversion of note payable and accrued interest	\$ -	\$ 509

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025
(unaudited)

NOTE 1 – NATURE OF OPERATIONS

Business and organization

BioSig Technologies, Inc. is a medical device technology company with an advanced digital signal processing technology platform, the PURE EP™ Platform (“PURE EP™”), that delivers insights to electrophysiologists for ablation treatments of cardiovascular arrhythmias.

BioSig Technologies, Inc. was initially incorporated on February 24, 2009 under the laws of the State of Nevada and subsequently re-incorporated in the state of Delaware in 2011. The Company is principally devoted to improving the standard care in electrophysiology with our PURE EP™ System’s enhanced signal acquisition, digital signal processing, and analysis during ablation of cardiac arrhythmias. The Company has generated minimal revenue to date and consequently its operations are subject to all risks inherent in business enterprises in early commercialization stage.

On May 28, 2025, the Company completed the acquisition of Streamex Exchange Corporation (the “Acquisition”), pursuant to the Share Purchase Agreement dated as of May 23, 2025 (the “Merger Agreement”) and amended on May 27, 2025 under the First Amendment to Share Purchase Agreement (the “Amendment”) by and among the Company, BioSig Technologies, Inc., a Delaware corporation, BST Sub ULC, an unlimited liability company organized under the laws of the Province of British Columbia and a wholly-owned subsidiary of the Company (“ExchangeCo”), 1540875 B.C. Ltd., a company organized under the laws of the Province of British Columbia and a wholly-owned subsidiary of the Company (“Callco”), each shareholder of Streamex (each, a “Shareholder” and, collectively, the “Shareholders”), and 1540873 B.C. Ltd., a company organized under the laws of the Province of British Columbia, as trustee (the “Trustee”) of the trust formed pursuant to the exchange rights agreement to be entered into between the Company, ExchangeCo, CallCo, and the Trustee (the “Exchange Rights Agreement”), the board of directors of the Company and Streamex. Streamex is a software development company based in Vancouver, BC. The Company focuses on building advanced digital tools and platforms that facilitates commodity trading and finance.

On November 7, 2018, the Company formed a subsidiary under the laws of the State of Delaware originally under the name of NeuroClear Technologies, Inc. which was renamed to ViralClear Pharmaceuticals, Inc. (“ViralClear”) in March 2020. The subsidiary was established to pursue additional applications of the PURE EP™ signal processing technology outside of cardiac electrophysiology, and subsequently in 2020, was repurposed to develop merimepodib, a broad-spectrum anti-viral agent that showed potential for the treatment of COVID-19. Since late 2020, ViralClear had been realigned with its original objective of pursuing additional applications of the PURE EP™ signal processing technology outside of cardiac electrophysiology.

In 2019 and 2020, ViralClear sold an aggregate of 1,965,240 shares of its common stock to investors for net proceeds of \$15.6 million and issued an aggregate of 894,869 shares of its common stock in connection with acquiring assets and with know-how agreements. As of June 30, 2025 and December 31, 2024, the Company had a majority interest in ViralClear of 69.74%.

On July 2, 2020, the Company formed an additional subsidiary, NeuroClear Technologies, Inc., a Delaware corporation, which was renamed to BioSig AI Sciences, Inc. (“BioSig AI”) on May 31, 2023. The subsidiary was established to pursue clinical needs of cardiac and neurological disorders through recordings and analyses of action potentials. BioSig AI aims to contribute to the advancements of AI-based diagnoses and therapies. As of June 30, 2025 and December 31, 2024, the Company had a majority interest in BioSig AI of 84.5%.

The Company continues to evaluate opportunities for the two subsidiaries ViralClear and BioSig AI.

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 (unaudited)

NOTE 2 – GOING CONCERN AND MANAGEMENT’S LIQUIDITY PLANS

As of June 30, 2025, the Company had cash of \$2.8 million and working capital deficit of \$110 million. During the six months ended June 30, 2025, the Company used net cash in operating activities of \$2.4 million. These balances create a liquidity concern, which in turn raises substantial doubt about the Company’s ability to continue as a going concern.

The Company’s primary source of operating funds since inception has been cash proceeds from sale of equity securities and issuance of debt. The Company has experienced net losses and negative cash flows from operations since inception and expects these conditions to continue for the foreseeable future.

The Company will require additional financing to fund future operations. Further, although the Company began commercial operations, there is no assurance that the Company will be able to generate sufficient cash flow to fund operations. In addition, there can be no assurance that the Company’s continuing research and development will be successfully completed or that any additional products will be commercially viable.

Accordingly, the accompanying unaudited condensed consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplates continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the unaudited condensed consolidated financial statements do not necessarily purport to represent realizable or settlement values. The unaudited condensed consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 (unaudited)

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying unaudited condensed consolidated financial statements follows.

Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes thereto for the year ended December 31, 2024, which are included with the Company's Annual Report on Form 10-K filed with the United States Securities Exchange Commission ("SEC") on April 15, 2025. Furthermore, the Company's significant accounting policies are disclosed in the audited consolidated financial statements for the years ended December 31, 2024 and 2023, included in the Company's Annual Report on Form 10-K filed with the SEC. Since the date of those audited consolidated financial statements, there have been no changes to the Company's significant accounting policies, except as noted below.

The accompanying unaudited interim condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Any reference in these notes to applicable guidance is meant to refer to the authoritative U.S. GAAP as found in the Accounting Standards Codification ("ASC") and as amended by Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements for the periods presented reflect all adjustments, consisting of only normal recurring adjustments, necessary to fairly present the Company's financial position, results of operations, and cash flows. The December 31, 2024, consolidated balance sheet was derived from audited financial statements, but does not include all U.S. GAAP disclosures. The unaudited condensed consolidated financial statements for the interim periods are not necessarily indicative of results for the full year.

Principals of Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of BioSig Technologies, Inc. and its majority owned subsidiary, ViralClear, and wholly owned subsidiaries, BioSig AI, ExchangeCo, and Calco herein collectively referred to as the "Company" or "BioSig". All significant intercompany accounts and transactions have been eliminated in consolidation.

Segment Reporting

The Company determines its operating and reportable segments in accordance with ASC 280, Segment Reporting, based on the financial information regularly reviewed by the Chief Operating Decision Maker ("CODM") for purposes of performance assessment and resource allocation.

As of June 30, 2025, the CODM evaluates the Company's financial performance and allocates resources on a consolidated basis. The Company manages its operations as one integrated business and does not prepare or review discrete financial information for individual business units or subsidiaries. Accordingly, the Company has concluded that it operates as a single reportable segment.

Management will continue to monitor the CODM's review practices and internal reporting structure and will update its segment disclosures in future periods if and when discrete financial information is regularly reviewed at the segment level.

Use of Estimates

The Company prepares its unaudited condensed consolidated financial statements in conformity with U.S. GAAP which requires management to make estimates and assumptions that affect the reported amounts of 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.

Business Acquisition

The Company recognizes and measures identifiable tangible and intangible assets acquired and liabilities assumed as of the acquisition date at fair value. Fair value measurements require extensive use of estimates and assumptions, including estimates of future cash flows to be generated by the acquired assets. The operating results of the acquired business are included in our unaudited condensed consolidated financial statements beginning on the date of acquisition. The purchase price is equivalent to the fair value of consideration transferred. Goodwill is recognized for the excess of purchase price over the net fair value of assets acquired and liabilities assumed. Acquisition-related costs are expensed as incurred.

Intangible Assets

The Company intangible assets consist of trade name, developed technology, legal and compliance framework and patents. Trade name was recognized based on its distinct branding and expected contribution to future revenues. Developed technology was recognized for its proprietary protocols and systems enabling tokenization of real-world assets and its integration with decentralized finance platforms. Legal and compliance framework was recognized based on the cost to recreate the regulatory and legal infrastructure necessary for operations. The Company capitalizes certain initial asset costs in connection with patent applications including registration, documentation and other professional fees associated with the application. Patent costs incurred prior to the Company's U.S. Food and Drug Administration ("FDA") 510(k) application on March 28, 2018 were charged to research and development expense as incurred. Commencing upon first in-man trials on February 18 and 19, 2019, capitalized patent costs are amortized to expense over the lesser of the legal patent term or the estimated life of the product of 20 years. Trade name was assigned a useful life of 10 years, developed technology was assigned a useful life of 8 years and legal and compliance framework was assigned a useful life of 7 years. The amortization of the intangible asset is computed using the straight-line method.

The Company evaluates its definite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such indicators may include adverse changes in market conditions, legal or regulatory developments, or underperformance relative to expectations. If indicators are present, the Company performs a recoverability test by comparing the asset's carrying amount to the undiscounted future cash flows expected to result from its use and eventual disposition. If the carrying amount is not recoverable, an impairment loss is recognized for the excess of the carrying amount over the asset's fair value.

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 (unaudited)

Goodwill

Goodwill represents the excess of the cost of an acquired business over the fair value assigned to its net assets. Goodwill is not amortized but is tested for impairment at a reporting unit level on an annual basis or when an event occurs, or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or changes in circumstances that may trigger interim impairment reviews include, but not limited to, significant adverse changes in business climate, operating results, planned investments in the reporting unit, or an expectation that the carrying amount may not be recoverable, among other factors.

The Company may first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events and circumstances, the Company determines it is more likely than not that the fair value of the reporting unit is greater than its carrying amount, an impairment test is unnecessary. If an impairment test is necessary, the Company will estimate the fair value of its related reporting units. If the carrying value of a reporting unit exceeds its fair value, the goodwill of that reporting unit is determined to be impaired, and the Company will proceed with recording an impairment charge equal to the excess of the carrying value over the related fair value.

During the three and six months ended June 30, 2025, the Company recorded goodwill in connection with a business acquisition. In evaluating whether a triggering event occurred during the period, the Company performed a qualitative assessment consistent with the guidance in U.S. GAAP. This assessment considered the totality of events and circumstances, including the existence of substantial doubt to continue as a going concern, and concluded that it is not more likely than not (i.e., less than a 50% likelihood) that the fair value of the reporting unit is below its carrying amount. Based on this assessment, no impairment charges related to goodwill were recorded for the periods presented.

Derivative Liability

The Exchangeable Shares issued by ExchangeCo in connection with the Acquisition are classified as derivative liabilities under ASC 815 – Derivatives and Hedging. Although legally issued by a Canadian subsidiary, the Exchangeable Shares are exchangeable into BioSig common stock and include economic rights that are substantially similar to BioSig's common stock, including rights to dividends, liquidation preferences, and voting (via a Special Voting Preferred Stock held by a trustee).

The right to exchange Exchangeable Shares into BioSig common stock is not itself subject to shareholder approval. However, the exercise of certain rights—specifically, the ability to exchange into more than 19.99% of BioSig's outstanding common stock (the "NASDAQ 19.99% limitation") and the receipt of special voting rights—are contingent upon shareholder approval. As a result, until shareholder approval is obtained and the 19.99% limitation is lifted, the instrument contains exercise contingencies that preclude equity classification under ASC 815-40.

The NASDAQ 19.99% limitation is an exercise contingency that restricts the number of BioSig common shares that can be issued upon exchange prior to shareholder approval. In addition, the Exchange Ratio is subject to adjustment from 1.00 to 1.25 BioSig common shares for each Exchangeable Share if shareholder approval is not obtained within six months of issuance. These features, taken together, result in the instrument not qualifying for the ASC 815-10-15-74 scope exception and require classification as a level 3 liability under ASC 815-40.

Accordingly, the Exchangeable Shares are initially recognized as a derivative liability at fair value, measured at \$105.5 million as of the acquisition date, and are remeasured at fair value through earnings each reporting period for as long as the exercise contingencies—including both the NASDAQ 19.99% limitation and shareholder approval—remain in place. As of June 30, 2025, these contingencies have not been resolved; therefore, the Exchangeable Shares continue to be classified as a liability.

Accordingly, the Exchangeable Shares are initially recognized as a derivative liability at fair value, measured at \$105.5 million as of the acquisition date, and is remeasured at fair value through earnings each reporting period for as long as shareholder approval has not been obtained and the exercise contingency's as noted above are still in place. As of June 30, 2025, shareholder approval has not been obtained.

Revenue and Accounts Receivable

The Company had one customer which accounts for 100% of our revenue in the three months ended June 30, 2024.

The Company had one customer which accounts for 96% of our revenue in the six months ended June 30, 2024.

As of June 30, 2025 and December 31, 2024, the Company had no customers and three customers representing 43.6%, 39.9% and 12% of the outstanding accounts receivable, respectively.

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Allowance for Credit losses

The Company adjusts accounts receivable down to net realizable value with its allowance methodology. In determining the allowance for credit losses for estimated losses, aged receivables are analyzed periodically by management. Each identified receivable is reviewed based upon historical collection experience, financial condition of the customer and the status of any open or unresolved issues with the customer preventing the payment thereof. Corrective action, if necessary, is taken by the Company to resolve open issues related to unpaid receivables.

The allowance for credit losses was \$109 and \$0 as of June 30, 2025 and December 31, 2024, respectively. The Company believes that its reserve is adequate, however results may differ in future periods. For the six months ended June 30, 2025 and 2024, bad debt expense totaled \$0.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash. The Company places its cash with credit quality institutions. At times, such amounts may be in excess of the FDIC insurance limit. As of June 30, 2025 and December 31, 2024, deposits in excess of FDIC limits were \$2.4 million and nil, respectively.

In addition, as of June 30, 2025, the Company held \$0.2 million in cash deposits with a Canadian financial institution that are not insured by the FDIC.

Foreign Currency Translations and Transactions

The Company translates the financial statements of foreign subsidiaries whose functional currency is the local currency into U.S. dollars in accordance with ASC 830, *Foreign Currency Matters*. Assets and liabilities are translated at exchange rates in effect at the balance sheet date, while revenues and expenses are translated at average exchange rates for the reporting period.

Translation adjustments resulting from the conversion of foreign currency financial statements are recorded in “Accumulated Other Comprehensive Income”, a separate component of shareholders’ equity.

Foreign currency transactions denominated in a currency other than the functional currency are remeasured at the exchange rate in effect on the transaction date. Monetary assets and liabilities are remeasured at period-end exchange rates, and resulting gains or losses are recognized in “Other income (expense), net” in the unaudited condensed consolidated statement of operations.

The majority of the Company’s transactions are settled in U.S. dollars. The Company does not currently engage in foreign currency hedging activities.

Concentration of Assets

As of June 30, 2025, the Company’s consolidated assets totaled approximately \$109.7 million, of which approximately 2.84% (\$3.1 million) were located in the United States and 97.16% (\$106.6 million) were located in Canada. The Canadian assets are held through ExchangeCo, a wholly owned subsidiary of the Company, and relate to the Company’s Streamex business. These assets consist primarily of goodwill and intangible assets (\$106.3 million), cash (\$210 thousand), amounts due from a related party (\$11 thousand), and prepaid expenses (\$59 thousand).

The Company evaluates geographic concentrations in accordance with ASC 275, *Risks and Uncertainties*, and considers potential exposure to economic, regulatory, and currency-related risks. While the Canadian-based assets represent a significant portion of consolidated assets, they are not currently subject to material operational, legal, or foreign exchange restrictions. Management believes that the Company is not exposed to heightened risk from geographic concentration, given the nature of the assets, the stability of the Canadian jurisdiction, and the strategic alignment of the Streamex business with the Company’s broader operations.

Net Income (loss) Per Common Share

The Company computes earnings (loss) per share under Accounting Standards Codification subtopic 260-10, Earnings Per Share (“ASC 260-10”). Net loss per common share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period.

For periods in which the Company reports net income and has outstanding convertible preferred stock, diluted earnings per share is calculated using the if-converted method, as required by ASC 260-10. This method assumes conversion of the preferred shares into common stock at the beginning of the period (or at issuance, if later), and includes the resulting common shares in the denominator of diluted EPS, while adjusting the numerator to exclude preferred dividends.

Diluted earnings per share, if presented, would include the dilution that would occur upon the exercise or conversion of all potentially dilutive securities into common stock using the “treasury stock” and/or “if converted” methods, as applicable. The two-class method would only be used if participating securities were present.

The computation of basic and diluted loss per share as of June 30, 2025 and 2024 excludes potentially dilutive securities when their inclusion would be anti-dilutive, or if their exercise prices were greater than the average market price of the common stock during the period.

Potentially dilutive securities excluded from the computation of basic and diluted net income (loss) per share are as follows:

	June 30, 2025	June 30, 2024
Redeemable series C convertible preferred stock	344,763	532,425
Options to purchase common stock	2,736,000	118,700
Warrants to purchase common stock	3,564,982	4,951,068
Restricted stock units to acquire common stock	1,004,163	1,541,250
Exchangeable Shares	109,070,057	-
Totals	<u>116,719,965</u>	<u>7,143,443</u>

Stock Based Compensation

The Company measures the cost of services received in exchange for an award of equity instruments based on the fair value of the award as measured on the grant date. The fair value amount is then recognized over the period during which services are required to be provided in exchange for the award, usually the vesting period.

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Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*, which requires disaggregated information about our effective tax rate reconciliation as well as information on income taxes paid. The guidance will first be effective in our annual disclosures for the year ending December 31, 2025, and should be applied on a prospective basis with the option to apply retrospectively. Early adoption is permitted. The Company is in the process of assessing the impact of ASU 2023-09 on our disclosures.

In November 2024, the FASB issued ASU 2024-03, “Disaggregation of Income Statement Expenses” (“ASU 2024-03”). ASU 2024-03 requires disclosure of the nature of expenses included in the income statement in response to longstanding requests from investors for more information about an entity’s expenses. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement and disclosures about selling expenses. ASU 2024-03 will be effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The Company is currently evaluating ASU 2024-03 and does not expect it to have a material effect on the Company’s consolidated financial statements.

In March 2025, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update 2025-02 “Liabilities (405): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122” (“ASU 2025-02”), which amends the Accounting Standards Codification to remove the text of SEC Staff Accounting Bulletin (“SAB”) 121 “Accounting for Obligations to Safeguard Crypto- Assets an Entity Holds for its Platform Users” as it has been rescinded by the issuance of SAB 122. ASU 2025-02 is effective immediately and is not expected to have an impact on the Company’s financial statements.

In May 2025, the FASB issued ASU No. 2025-03, Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity (“VIE”), which provides clarifying guidance on determining the accounting acquirer in certain transactions involving VIEs. The update aims to improve consistency and comparability in financial reporting. The guidance will be effective for annual periods beginning after December 15, 2026, including interim periods within those annual periods. Early adoption is permitted. Upon adoption, the guidance will be applied prospectively. The Company is currently evaluating the provisions of the amendments and the impact on its future financial statements.

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NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2025 and December 31, 2024 is summarized as follows:

	June 30, 2025 (000's)	December 31, 2024 (000's)
Computer equipment	\$ 531	\$ 531
Furniture and fixtures	109	109
Testing/Demo equipment	312	312
Leasehold improvements	84	84
Total	1,036	1,036
Less accumulated depreciation	(983)	(951)
Property and equipment, net	<u>\$ 53</u>	<u>\$ 85</u>

As of June 30, 2025, the Company determined that no events or changes in circumstances existed that would indicate any impairment of its long-lived assets. During the three and six months ended June 30, 2024, the Company re-assessed its carrying amounts of certain property and equipment due to reduced manufacturing of its commercial products and determined that these carrying amounts exceeded the estimated undiscounted future cash flows. Accordingly, the Company recorded no impairment charges to current operations during the three and six months ended June 30, 2025. Impairment charges totaled \$0 and \$253 during the three and six months ended June 30, 2024.

Depreciation expenses were \$14 and \$44 for the three months ended June 30, 2025 and 2024, respectively. Depreciation expenses were \$32 and \$117 for the six months ended June 30, 2025 and 2024, respectively.

NOTE 5 – GOODWILL AND INTANGIBLE ASSETS

Goodwill

The following table shows the changes in the carrying amount of goodwill for the period:

Goodwill as of December 31, 2024	-
Acquisition ¹	57,847
Impairment	-
Foreign currency translation adjustment	845
Goodwill as of June 30, 2025	<u>\$ 58,692</u>

- 1) Related to the acquisition of Streamex. See Note 13 for more details. Goodwill was initially measured in the functional currency of Streamex and translated into U.S. dollars using the exchange rate in effect on the acquisition date. Subsequent changes in foreign exchange rates are reflected in the cumulative translation adjustment within other comprehensive loss.

During the six months ended June 30, 2025, the Company evaluated the existence of any indicators of impairment in accordance with ASC 350, Intangibles—Goodwill and Other. While substantial doubt to continue as a going concern was considered as part of the qualitative analysis, it did not, in isolation or in combination with other factors, rise to the level of a triggering event requiring a quantitative impairment test. Based on the assessment, there was no goodwill impairment recognized in the period ended June 30, 2025.

Intangible Assets

Intangible assets consist of trade name, developed technology, legal and compliance framework, and patents, and are initially recorded at fair value. Long-lived intangible assets are amortized over their estimated useful lives in a method reflecting the pattern in which the economic benefits are consumed or amortized on a straight-line basis if such pattern cannot be reliably determined. The Company continues to assess potential triggering events related to the value of its intangible assets and concluded that there was no triggering events that require a quantitative impairment test during the six months ended June 30, 2025.

The following summarizes the Company's intangible assets as of June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Trade name ¹	\$ 5,175	\$ -
Developed technology ¹	40,584	-
Legal and compliance framework ¹	2,435	-
Patents	380	380
Total	48,574	380
Accumulated amortization	(657)	(111)
Intangible assets, net	<u>\$ 47,917</u>	<u>\$ 269</u>

- 1) Intangible assets acquired in connection with the Streamex acquisition were initially measured in Canadian dollars and translated into U.S. dollars using the exchange rate in effect on the acquisition date. Subsequent changes in exchange rates are reflected in the carrying amounts presented above and recorded in other comprehensive loss as part of the cumulative translation adjustment.

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Amortization expenses were \$540 and \$545 for the three and six months ended June 30, 2025, respectively. Amortization expenses were \$5 and \$10 for the three and six months ended June 30, 2024, respectively.

Expected future amortization expense of intangible assets as of June 30, 2025, is as follows:

Remainder of 2025	\$	2,969
2026		5,938
2027		5,938
2028		5,938
2029		5,938
Thereafter		21,196
	<u>\$</u>	<u>47,917</u>

NOTE 6 – RIGHT TO USE ASSETS AND LEASE LIABILITY

As of June 30, 2025 and December 31, 2024, the Company had one lease outstanding with payments of \$15 per month, expiring on July 31, 2025.

Right to use assets is summarized below:

	June 30, 2025 (000's)	December 31, 2024 (000's)
Right to use asset	\$ 502	\$ 502
Less accumulated amortization	(488)	(406)
Right to use assets, net	<u>\$ 14</u>	<u>\$ 96</u>

During the three months ended June 30, 2025 and 2024, the Company recorded \$48 and \$72 as lease expense to current period operations, respectively. During the six months ended June 30, 2025 and 2024, the Company recorded \$97 and \$163 as lease expense to current period operations, respectively.

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Lease liability is summarized below:

	June 30, 2025 (000's)	December 31, 2024 (000's)
Total lease liability	\$ 15	\$ 102
Less: short term portion	(15)	(102)
Long term portion	<u>\$ -</u>	<u>\$ -</u>

Maturity analysis under these lease agreements are as follows (000's):

Year ended December 31, 2025	\$ 15
Total	15
Less: Present value discount	-
Lease liability	<u>\$ 15</u>

NOTE 7 – LEASE RECEIVABLES

In 2022, the Company entered into two leases for our PURE EP™ Platform at a rate of \$4,333 per month each. The term of the leases is for 30 months with an option provided to extend for an additional one year. The leases also have an option to purchase at the end of the lease at the fair market value.

The Company determined the leases meet the criteria of a sales-type lease whereby the present value of the future expected revenue (less the present value of the estimated unguaranteed residual value), cost of sales and profit and loss are recognized at the lease inception. The discount rate utilized was the contract explicit rate of 2% per annum.

A reconciliation of lease receivables with customers for the six months ended June 30, 2025 and 2024 are presented below:

Six months ended June 30, 2025:

	Balance at 31-Dec-24 (000's)	Recognized in Revenue (000's)	Invoiced to Customer (000's)	Interest Earned (000's)	Unguaranteed Residual Assets (000's)	Balance at June 30, 2025 (000's)
Contract asset	\$ 17	\$ -	\$ -	\$ (17)	\$ -	\$ -
Less current portion	(13)	-	-	13	-	-
Noncurrent portion	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4)</u>	<u>\$ -</u>	<u>\$ -</u>

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Six months ended June 30, 2024:

	Balance at 31-Dec-23 (000's)	Recognized in Revenue (000's)	Invoiced to Customer (000's)	Interest Earned (000's)	Unguaranteed Residual Assets (000's)	Balance at June 30, 2024 (000's)
Contract asset	\$ 120	\$ -	\$ (55)	\$ -	\$ 4	\$ 69
Less current portion	(103)	-	40	-	(2)	(65)
Noncurrent portion	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ (15)</u>	<u>-</u>	<u>\$ 2</u>	<u>\$ 4</u>

NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as of June 30, 2025 and December 31, 2024 consist of the following:

	June 30, 2025 (000's)	December 31, 2024 (000's)
Accrued accounting and legal	\$ 303	\$ 391
Accrued reimbursements and travel	-	7
Accrued consulting	79	171
Accrued finders fee	6,026	-
Accrued research and development expenses	137	351
Accrued marketing	-	13
Accrued office and other	410	439
Accrued settlement expense	-	494
Accrued payroll	617	186
	<u>\$ 7,572</u>	<u>\$ 2,052</u>

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NOTE 9 – STOCKHOLDER EQUITY

Preferred stock

The Company is authorized to issue 1,000,000 shares of \$0.001 par value preferred stock. As of June 30, 2025 and December 31, 2024, the Company has designated 200 shares of Series A preferred stock, 600 shares of Series B preferred stock, 4,200 shares of Series C Preferred Stock, 1,400 shares of Series D Preferred Stock, 1,000 shares of Series E Preferred Stock and 200,000 shares of Series F Preferred Stock. As of June 30, 2025 and December 31, 2024, there were no issued or outstanding shares of Series A, Series B, Series D, Series E and Series F preferred stock.

Series C Preferred Stock

Series C Preferred Stock issued and outstanding totaled 105 shares as of June 30, 2025, and December 31, 2024. As of June 30, 2025, and December 31, 2024, the Company has accrued \$114,729 and \$110,042 dividends payable on the Series C Preferred Stock, respectively. As of June 30, 2025, and December 31, 2024, the cumulative dividend per share payable on the Series C Preferred Stock was approximately \$1,093 and \$1,048, respectively.

Common stock

The Company is authorized to issue 200,000,000 shares of \$0.001 par value common stock. As of June 30, 2025 and December 31, 2024, the Company had 30,793,135 and 17,239,096 shares issued and outstanding, respectively.

On January 31, 2024, the Company filed a Reverse Stock Split Amendment with the Secretary of State of the State of Delaware, effective February 2, 2024. Pursuant to the Reverse Stock Split Amendment, the Company effected a 1-for-10 reverse stock split of its issued and outstanding shares of common stock. The Company accounted for the reverse stock split on a retrospective basis pursuant to ASC 260, Earnings Per Share. All authorized, issued and outstanding common stock, common stock warrants, stock option awards, exercise prices and per share data have been adjusted in these unaudited condensed consolidated financial statements, on a retroactive basis, to reflect the reverse stock split for all periods presented. Authorized common and preferred stock was not adjusted because of the reverse stock split.

During the six months ended June 30, 2024, the Company issued an aggregate of 75,000 shares of common stock for the forgiveness of accounts payable at a fair value of \$122,250.

During the six months ended June 30, 2024, the Company issued an aggregate of 2,140,744 shares of common stock for services at a fair value of \$1.7 million.

During the six months ended June 30, 2024, the Company issued an aggregate of 1,240,250 shares of common stock for vested restricted stock units.

During the six months ended June 30, 2025, the Company issued an aggregate of 5,196,922 shares of common stock for services at a fair value of \$7.3 million.

During the six months ended June 30, 2025, the Company issued an aggregate of 867,823 shares of common stock in exchange for 1,381,055 warrants cashless exercised.

During the six months ended June 30, 2025, the Company issued an aggregate of 135,000 restricted stock units for shares of its common stock for the settlement and extinguishment of accounts payable at a fair value of \$0.2 million.

During the six months ended June 30, 2025, the Company issued an aggregate of 2,465,013 shares of common stock for vested restricted stock units.

On May 2, 2025, the Company cancelled an aggregate of 272,399 shares of its common stock, consisting of 158,096 shares returned by the Company's former Chief Executive Officer, Kenneth Londoner, and 114,303 shares returned by Endicott Management Partners LLC, an entity affiliated with Mr. Londoner. All cancelled shares were surrendered to the Company and retired, resulting in a reduction to the total number of issued and outstanding shares.

Exchangeable Shares

The Exchangeable Shares issued by ExchangeCo in connection with the Acquisition are classified as derivative liabilities under ASC 815 – Derivatives and Hedging. Although legally issued by a Canadian subsidiary, the Exchangeable Shares are exchangeable into BioSig common stock and include economic rights that are substantially similar to BioSig's common stock, including rights to dividends, liquidation preferences, and voting (via a Special Voting Preferred Stock held by a trustee), these rights are contingent upon stockholder approval.

The right to exchange Exchangeable Shares into BioSig common stock is not itself subject to shareholder approval. However, the exercise of certain rights—specifically, the ability to exchange into more than 19.99% of BioSig's outstanding common stock (the "NASDAQ 19.99% limitation") and the receipt of special voting rights—are contingent upon shareholder approval. As a result, until shareholder approval is obtained and the 19.99% limitation is lifted, the instrument contains exercise contingencies that preclude equity classification under ASC 815-40.

The NASDAQ 19.99% limitation is an exercise contingency that restricts the number of BioSig common shares that can be issued upon exchange prior to shareholder approval. In addition, the Exchange Ratio is subject to adjustment from 1.00 to 1.25 BioSig common shares for each Exchangeable Share if shareholder approval is not obtained within six months of issuance. These features, taken together, result in the instrument not qualifying for the ASC 815-10-15-74 scope exception and require classification as a liability.

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The Exchangeable Shares were initially recognized as a derivative liability at fair value, measured at \$105.5 million as of the acquisition date. They are remeasured at fair value through earnings each reporting period for as long as the exercise contingencies—including the NASDAQ 19.99% limitation and the requirement for shareholder approval—remain unresolved. As of June 30, 2025, shareholder approval has not been obtained and the contingencies remain in place; therefore, the Exchangeable Shares continue to be classified as a liability.

Sale of common stock.

On January 12, 2024, the Company entered into a securities purchase agreement with certain accredited and institutional investors, pursuant to which the Company sold to the investors an aggregate of 260,720 shares of the Company's common stock and warrants to purchase up to 130,363 shares of common stock, at a purchase price of \$3.989 per share and a warrant to purchase one-half of a share. The warrants have an exercise price of \$3.364 per share, will become exercisable six months after the date of issuance and will expire five and one-half years following the date of issuance. The gross proceeds from this offering were \$1,040,000.

On May 1, 2024, the Company entered into a securities purchase agreement with certain accredited investors, pursuant to which the Company sold to the investors an aggregate of 783,406 shares of the Company's common stock and warrants to purchase up to 391,703 shares of common stock, at a purchase price of \$1.4605 per share and a warrant to purchase one-half of a share. The warrants have an exercise price of \$1.398 per share, will become exercisable six months after the date of issuance, and will expire five and one-half years following the date of issuance. The gross proceeds from this offering were approximately \$1,144,000, including \$634,999 in cash and \$509,165 representing conversion of the principal balance of and accrued interest on the previously issued related party note payable. The note was not convertible by its terms, but the holder has agreed to convert it into shares of common stock and warrants under the Purchase Agreement.

On May 29, 2024, the Company entered into a securities purchase agreement with certain institutional investors, pursuant to which the Company agreed to sell and issue to the investors (i) in a registered direct offering, 1,570,683 shares of Common Stock, par value \$0.001 per share of the Company at a price of \$1.91 per share and (ii) in a concurrent private placement, common stock purchase warrants to purchase up to an aggregate of 1,570,683 shares of Common Stock, at an exercise price of \$1.78 per share of Common Stock. In connections with the Offering, the Company issued 109,948 warrants to its placement agent.

On March 5, 2025, the Company entered into a securities purchase agreement with certain accredited investors pursuant to which the Company sold to the Investors an aggregate of 758,514 shares Common Stock at a purchase price of \$1.07974 per share, and warrants to purchase up to 758,514 shares of Common Stock at an exercise price of \$0.95474 per share, that will become exercisable six months after the date of issuance and will expire three and one-half years following the date of issuance, in exchange for aggregate consideration of \$818,998.

ATM Sales Agreement 2024

On December 18, 2024, the Company entered into an At The Market Offering Agreement (the "Sales Agreement") with H.C. Wainwright & Co., LLC, as sales agent or principal (the "Agent"), pursuant to which the Company may offer and sell, from time to time in transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), the Company's common stock, par value \$0.001 per share ("common stock"), through or to the Agent (the "ATM Offering"). The Sales Agreement, among other things, provides for the issuance and sale of up to an aggregate of \$8,500,000 of shares of the Company's common stock.

The Shares are being offered and sold pursuant to the Company's shelf registration statement on Form S-3 (File No. 333-276298) and an accompanying prospectus filed by the Company with the U.S. Securities and Exchange Commission ("SEC") on December 28, 2023, as amended on January 5, 2024 and December 9, 2024, and declared effective by the SEC on December 17, 2024 (the "Registration Statement") and pursuant to a prospectus supplement dated December 18, 2024.

During the six months ended June 30, 2025, the Company sold an aggregate of 4,403,166 shares through the Company's at the market offering agreement for gross proceeds of \$4,019,063, or \$3,882,420 net of fees of \$136,643.

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NOTE 10 – OPTIONS, RESTRICTED STOCK UNITS AND WARRANTS

BioSig Technologies, Inc.

2023 Long-Term Incentive Plan

As of June 30, 2025, there were 899,870 shares available under the 2023 Long-Term Incentive Plan.

Options

Option valuation models require the input of highly subjective assumptions. The fair value of stock-based payment awards was estimated using the Black-Scholes option model with a volatility figure derived from historical stock prices of the Company. The Company accounts for the expected life of options using the based on the contractual life of options for non-employees.

For employees, the Company accounts for the expected life of options in accordance with the “simplified” method, which is used for “plain-vanilla” options, as defined in the accounting standards codification. The risk-free interest rate was determined from the implied yields of U.S. Treasury zero-coupon bonds with a remaining life consistent with the expected term of the options.

The following table presents information related to stock options as of June 30, 2025:

Options Outstanding			Options Exercisable	
Exercise Price	Number of Options	Weighted Average Remaining Life In Years	Exercisable Number of Options	
\$ Under 9.99	2,715,000	9.2	2,715,000	
10.00-19.99	15,000	7.9	15,000	
20.00-49.99	3,000	3.7	3,000	
50.00-69.99	3,000	4.5	3,000	
	2,736,000	9.2	2,736,000	

A summary of the stock option activity and related information for the Plan for the six months ended June 30, 2025 is as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2025	2,515,200	\$ 0.96	9.6	\$ 2,501,040
Issued	250,000	\$ 0.84	9.8	
Forfeited/expired	(29,200)	\$ 17.34		
Outstanding at June 30, 2025	2,736,000	\$ 0.77	9.2	\$ 17,779,920
Exercisable at June 30, 2025	2,736,000	\$ 0.77	9.2	\$ 17,779,920

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on options with an exercise price less than the stock price of BioSig Technologies, Inc. of \$7.14 as of June 30, 2025, which would have been received by the option holders had those option holders exercised their options as of that date.

The fair value of all options vesting during the three and six months ended June 30, 2025 of \$1,036,333 and \$1,076,015, respectively, was charged to current period operations. The fair value of all options vesting during the three and six months ended June 30, 2024 of \$157,417 and \$154,735, respectively, was charged to current period operations. Unrecognized compensation expense of \$0 at June 30, 2025 which the Company expects to recognize over a weighted average period of 0 years.

On May 23, 2025, in connection with the Company’s acquisition of Streamex, the Company entered into an amendment to the Executive Employment Agreement with Anthony Amato, its former Chief Executive Officer. Pursuant to the amendment, all previously granted equity awards to Mr. Amato—including vested and unvested stock options—were accelerated and deemed fully vested and nonforfeitable as of May 28, 2025. In addition, the post-resignation exercise period for all vested options was extended to the later of the original expiration date or 36 months following the transaction closing.

As a result of this modification, the Company recognized incremental stock-based compensation expense of \$450,820 during the three and six months ended June 30, 2025, which is included in the total expense disclosed above. No unrecognized compensation expense remains related to Mr. Amato’s equity awards as of June 30, 2025.

During the six months ended June 30, 2025, the Company granted options to purchase shares of its common stock, which were valued using the Black-Scholes option pricing model. The following assumptions were used to calculate the fair value of the options granted:

Assumption	Value
Weighted average grant date fair value	\$ 0.81
Expected volatility	122.43%
Risk-free interest rate	4.32%
Expected dividend yield	0.00%
Expected Term (in years)	10.0

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Warrants

The following table summarizes information with respect to outstanding warrants to purchase common stock of BioSig Technologies, Inc. at June 30, 2025:

Exercise Price	Number Outstanding	Expiration Date
\$ 0.3000	186,294	Nov-28
0.9547	758,514	Sep-28
1.7800	1,047,122	May-29
2.3875	109,948	May-29
3.3640	130,363	Jul-29
4.0660	25,000	Nov-32
4.4550	113,005	Jun-28
4.4660	48,980	Nov-28
4.6626	63,090	Apr-29
4.9252	56,307	Mar-29
4.9290	75,645	Mar-29
5.1358	115,545	Jul-28
7.1810	95,761	Jul-28
7.5020	9,846	Jul-28
7.9630	88,324	Aug-28
9.0000	21,709	Jun-27
9.5960	84,390	Jan-29
10.0992	19,118	Aug-28
10.2600	51,705	Sep-28
10.4678	84,296	Sep-28
11.3000	40,417	Oct-28
13.2800	96,198	Nov-28
14.0000	174,013	Sep-25
48.0000	12,500	Jul-26
61.6000	56,892	Nov-27
	3,564,982	

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During the six months ended June 30, 2025, the Company issued warrants to purchase an aggregate of 758,514 shares of its common stock to investors at an exercise price of \$0.9547 per share.

During the six months ended June 30, 2025, the Company issued 867,823 shares of its common stock upon cashless exercise of 1,381,055 warrants to purchase shares of common stock, pursuant to the formula set forth in such warrants.

A summary of the warrant activity for six months ended June 30, 2025 is as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2025	4,899,716	\$ 4.88	3.5	\$ 405,018
Issued	758,514	0.95	3.2	
Forfeited/expired	(712,193)	48.00	-	-
Exercised	(1,381,055)	2.53	-	-
Outstanding at June 30, 2025	3,564,982	\$ 5.06	3.4	\$ 12,065,741
Vested and expected to vest at June 30, 2025	3,564,982	\$ 5.06	3.4	\$ 12,065,741
Exercisable at June 30, 2025	2,806,468	\$ 6.18	3.5	\$ 9,092,679

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on warrants with an exercise price less than the company's stock price of \$7.14 as of June 30, 2025, which would have been received by the warrant holders had those warrants holders exercised their options as of that date.

Restricted Stock Units

The following table summarizes the restricted stock activity for the six months ended June 30, 2025:

Restricted shares issued as of January 1, 2025	1,385,839
Granted	7,475,267
Vested and issued	(7,796,943)
Forfeited	(60,000)
Total	1,004,163
Comprised of:	
Vested restricted shares as of June 30, 2025	4,163
Unvested restricted shares as of June 30, 2025	1,000,000

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During the six months ended June, 2025, the Company granted an aggregate of 7,340,267 restricted stock units (“RSUs”) for shares of its common stock to various key consultants and employees for services rendered. These RSUs were granted at fair value on the grant date. Included in this total are 1,000,000 RSUs granted to Mitchell Williams, the Company’s Chief Investment Officer, with a grant-date fair value of approximately \$5.0 million.

Mr. Williams RSUs vest over an 18-month period, with one-third vesting on April 24, 2026 and the remaining two-thirds vesting in five substantially equal quarterly installments thereafter, subject to continued service.

During the six months ended June 30, 2025, the Company issued an aggregate of 135,000 RSUs for shares of its common stock for the settlement of accounts payable at a fair value of \$0.2 million.

Stock based compensation expense related to RSU grants was \$13.74 million and \$3.57 million for the six months ended June 30, 2025 and 2024, respectively. Stock based compensation expense related to RSU grants was \$11.57 million and \$3.65 million for the three months ended June 30, 2025 and 2024, respectively. As of June 30, 2025, the stock-based compensation relating to RSUs of \$4.75 million remains unamortized.

ViralClear Pharmaceuticals, Inc.

2019 Long-Term Incentive Plan

There are 2,915,071 shares remaining available for future issuance of awards under the terms of the ViralClear Plan.

Warrants (ViralClear)

A summary of the warrant activity for three months ended June 30, 2025 is as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term
Outstanding at January 1, 2025	480,347	\$ 5.07	2.9
Forfeited/expired	(6,575)	10.00	
Outstanding at June 30, 2025	473,772	\$ 5.00	2.4
Exercisable at June 30, 2025	473,772	\$ 5.00	2.4

The following table presents information related to warrants (ViralClear) at June 30, 2025:

Exercise Price	Number Outstanding	Expiration Date
\$ 5.00	473,772	November 2027

Restricted stock units (ViralClear)

The following table summarizes the restricted stock activity for the six months ended June 30, 2025:

Restricted shares outstanding at January 1, 2025:	678,679
Forfeited	-
Total restricted shares outstanding at June 30, 2025:	<u>678,679</u>
Comprised of:	
Vested restricted shares as of June 30, 2025	678,679
Unvested restricted shares as of June 30, 2025	-
Total	<u>678,679</u>

BioSig AI Sciences, Inc.

Warrants (BioSig AI)

The following table summarizes information with respect to outstanding warrants to purchase common stock of BioSig AI at June 30, 2025:

Exercise Price	Number Outstanding	Expiration Date
\$ 1.00	130,500	June-July 2028

NOTE 11 – NON-CONTROLLING INTEREST

As of June 30, 2025 and December 31, 2024, the Company had a majority interest in ViralClear of 69.74% and a majority interest in BioSig AI of 84.5%.

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A reconciliation of ViralClear Pharmaceuticals, Inc. and BioSig AI Sciences, Inc. non-controlling loss attributable to the Company:

Net loss attributable to the non-controlling interest for the three months ended June 30, 2025 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Net income	\$ -	\$ 23	\$ 23
Average Non-Controlling interest percentage of losses	31%	16%	16%
Net income attributable to non-controlling interest	\$ -	\$ 4	\$ 4

Net loss attributable to the non-controlling interest for the three months ended June 30, 2024 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Net income (loss)	\$ -	\$ 27	\$ 27
Average Non-Controlling interest percentage of profit/losses	32%	16%	15%
Net income (loss) attributable to non-controlling interest	\$ -	\$ 4	\$ 4

Net loss attributable to the non-controlling interest for the six months ended June 30, 2025 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Net income	\$ -	\$ 98	\$ 98
Average Non-Controlling interest percentage of losses	31%	16%	16%
Net income attributable to non-controlling interest	\$ -	\$ 16	\$ 16

Net loss attributable to the non-controlling interest for the six months ended June, 2024 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Net income (loss)	\$ (41)	\$ 24	\$ (17)
Average Non-Controlling interest percentage of profit/losses	32%	16%	52%
Net income (loss) attributable to non-controlling interest	\$ (13)	\$ 4	\$ (9)

The following table summarizes the changes in non-controlling interest for the six months ended June 30, 2025 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Balance, January 1, 2025	\$ (171)	\$ 188	\$ 17
Net income attributable to non-controlling interest	-	16	16
Balance, June 30, 2025	\$ (171)	\$ 204	\$ 33

The following table summarizes the changes in non-controlling interest for the six months ended June 30, 2024 (000's):

	ViralClear Pharmaceuticals, Inc. (000's)	BioSig AI Sciences, Inc. (000's)	Total (000's)
Balance, January 1, 2024	\$ (158)	\$ 184	\$ 26
Net income (loss) attributable to non-controlling interest	(13)	4	(9)
Balance, June 30, 2024	\$ (171)	\$ 188	\$ 17

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NOTE 12 — COMMITMENTS AND CONTINGENCIES

Operating leases

See Note 6 for operating lease discussion.

2017 Know-How License Agreement with Mayo Foundation

On March 15, 2017, the Company entered into an exclusive license agreement with Mayo Foundation for Medical Education and Research, covering specific know-how and patent applications in signal processing and electrophysiology. The agreement has a ten-year term. The Company is obligated to pay royalties of 1% or 2% on net sales of licensed products. As of June 30, 2025 and December 31, 2024, accounts payable under this agreement was \$4.

EP Software License Agreement (2019)

On November 20, 2019, the Company entered into an exclusive worldwide license agreement with Mayo for electrophysiology software and related patent rights. The agreement includes earned royalty payments and milestone payments up to \$625,000. It expires upon the later of the patent rights' expiration or the 10th anniversary of the first commercial sale. As of June 30, 2025 and December 31, 2024, accounts payable under this agreement was \$0.

Tools License Agreement (2019)

Also on November 20, 2019, the Company entered into an amended and restated license agreement with Mayo for electrophysiology systems. The Company paid an upfront fee of \$100,000 and agreed to milestone payments up to \$550,000. In June 2021, a \$75,000 milestone payment was made upon the issuance of patent rights. As of June 30, 2025 and December 31, 2024, accounts payable under this agreement was \$0.

ViralClear License Agreement (2019)

On November 20, 2019, the Company's majority-owned subsidiary, ViralClear, entered into an exclusive license agreement with Mayo for technologies related to stimulation and electroporation for various medical treatments. The agreement includes earned royalty payments and milestone payments up to \$700,000. In June 2021, a \$75,000 milestone payment was made upon the issuance of patent rights. As of June 30, 2025 and December 31, 2024, accounts payable under this agreement was \$0.

Trek Therapeutics Agreement

On March 24, 2020, ViralClear agreed to pay Trek Therapeutics, PBC, 10% of any consideration received from sublicensing, sale, transfer, or similar transactions. Additionally, ViralClear received rights from Trek involving certain formulas and compounds, with milestone payments of \$10 million and \$5 million upon marketing authorization in the first and second countries, respectively, and 6% royalty payments. As of June 30, 2025 and December 31, 2024, accounts payable under this agreement was \$0.

TriView Capital Ltd.

On June 1, 2025, the Company entered into an agreement with TriView Capital Ltd. ("TriView") to acquire 9.9% of TriView's issued and outstanding shares for a total purchase price of CAD \$200,000 (approximately USD \$146,843), payable in four equal monthly installments of CAD \$50,000 (approximately USD \$36,711) due in June, July, August, and September 2025.

Under the terms of the agreement:

- The Company will receive the 9.9% equity interest in TriView only upon full payment of the CAD \$200,000.
- The June 2025 installment was paid and is recorded in prepaid expenses and vendor deposits on the unaudited condensed consolidated balance sheet as of June 30, 2025.
- If the Company fails to make any installment payment, TriView has the contractual right to terminate the agreement.
- TriView also retains the right to cancel the agreement at any time, in which case it must refund any amounts previously paid by the Company.
- The Company holds an option to acquire the remaining 90.1% of TriView's outstanding shares for an additional CAD \$1.8 million (approximately USD \$1.3 million), exercisable at any time prior to December 12, 2025.

As of June 30, 2025, the Company has not recognized any ownership interest in TriView, as the full purchase consideration has not yet been paid and the equity interest has not been issued. The agreement is subject to cancellation by either party, and therefore, no investment asset has been recorded.

Management will continue to evaluate the agreement under ASC 321 – Investments – Equity Method and Joint Ventures and ASC 450 – Contingencies, and will assess whether any future payments or changes in the agreement give rise to recognition of an investment or contingent liability.

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Equity Line of Credit

On February 28, 2025 (the “Effective Date”), the Company entered into a Equity Subscription Agreement (the “Subscription Agreement”) with Lind Global Fund III, LP (the “Investor”). Pursuant to the Subscription Agreement, the Company has the right, but not the obligation, to sell to the Investor from time to time (each such occurrence, an “Advance”) up to \$5.0 million (the “Commitment Amount”) of the Company’s common stock, \$0.001 par value per share (“Common Stock”), during the 36 months following the execution of the Subscription Agreement, subject to (a) an overall cap of 10,000,000 shares and (b) the restrictions and satisfaction of the conditions set forth in the Subscription Agreement. The Company is under no obligation to sell any of its Common Stock to the Investor under the Subscription Agreement. At the Company’s option, the shares of Common Stock would be purchased by the Investor from time to time at a price (the “Market Price”) equal to 95% of the lowest of the daily VWAPs (as hereinafter defined) during a five (or such other period as the Company and the Investor may agree) consecutive trading day period commencing on the date that the Company delivers a notice to the Investor (an “Advance Notice”) that the Company is requiring the Investor to purchase a specified number of shares of Common Stock (the “Advance Shares”). The Company may also specify a minimum acceptable price per share in each Advance. “VWAP” means, for any trading day, the daily volume weighted average price of the Company’s Common Stock for such trading day on the Nasdaq Stock Market as reported by Bloomberg L.P. The maximum number of shares of Common Stock that the Company may require the Investor to purchase in any Advance is an number equal to 66.667% of the average daily volume of the Common Stock on the Nasdaq Stock Market during the five consecutive trading days immediately preceding the date of the Advance Notice; provided that notwithstanding the foregoing limitation, in any period of 30 consecutive days, the total number of Advance Shares that the Company may sell to the Investor may be up to 0.5% of the quotient of the number of shares of Common Stock outstanding on the date of the Advance divided by the Market Price determined for such Advance.

As consideration for the Investor’s irrevocable commitment (subject to the conditions set forth in the Subscription Agreement) to purchase the Company’s Common Stock up to the Commitment Amount, the Company issued 108,542 shares of Common Stock (the “Commitment Shares”) to the Investor with a grant date fair value of \$100,000. The Company had previously advanced to the Investor \$10,000 to cover certain expenses related to the Subscription Agreement.

The Investor’s obligation to purchase the Company’s shares of Common Stock pursuant to the Subscription Agreement is subject to a number of conditions, including that the Company file a registration statement on Form S-1 or Form S-3 (the “Registration Statement”) with the Securities and Exchange Commission (the “SEC”), registering the issuance and sale of the Commitment Shares and the Advance Shares to be issued and sold pursuant to an Advance under the Securities Act of 1933, as amended (the “Securities Act”), and that the Registration Statement be declared effective by the SEC. The Company has not filed a registration statement on a Form S-1 or Form S-3 as of June 30, 2025.

Finder Agreements Related to Streamex Transaction

On May 27, 2025, the Company and Streamex entered into separate Finder Agreements with three unaffiliated third parties (each, a “Finder”) in connection with the transactions contemplated by the Share Purchase Agreement dated May 23, 2025, among the Company, Streamex, and related parties.

Under the terms of the Finder Agreements, the Finders facilitated introductions between Streamex and Company management. As compensation for these introductory services, the Company agreed to issue to the Finders, in aggregate, shares of its common stock representing 3.75% of the Company’s outstanding shares immediately prior to the closing of the Share Purchase Agreement (the “Closing”). The shares are to be issued no later than two business days following shareholder approval of certain matters set forth in the Share Purchase Agreement (the “Parent Stockholder Matters”).

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The Finder Agreements expressly disclaim any participation by the Finders in the negotiation, structuring, advisory, or securities-related services in connection with the Share Purchase Agreement. The Finders are not registered broker-dealers or investment advisers and are not providing services that would require such registration.

The Streamex transaction successfully closed on May 28, 2025. Although the issuance of shares to the Finders remains contingent upon shareholder approval of the Parent Stockholder Matters, the Company determined that the obligation to compensate the Finders was probable upon the Closing. Accordingly, the Company recognized expense and recorded an accrual of approximately \$6,025,880 in connection with the Finder Agreements during the three and six months ended June 30, 2025. The expense is reflected in general and administrative expenses in the unaudited condensed consolidated statements of operations.

Share Purchase Agreement with Streamex

On May 23, 2025, the Company entered into a Share Purchase Agreement with Streamex Exchange Corporation and related parties. The transaction closed on May 28, 2025, at which time the Company, through a wholly owned subsidiary, acquired all issued and outstanding shares of Streamex in exchange for 109,070,079 exchangeable shares. These exchangeable shares are convertible into shares of the Company's common stock on a one-for-one basis, subject to certain conditions and shareholder approvals.

In accordance with Nasdaq listing rules, the exchangeable shares are initially limited to 19.9% of the Company's pre-transaction common stock outstanding. The Company is seeking shareholder approval of certain matters outlined in the Share Purchase Agreement (the "Parent Stockholder Matters"), which would authorize sufficient common stock and remove the conversion cap. Upon approval, Streamex shareholders would be entitled to convert their exchangeable shares into BioSig common stock up to a total of 75% of the Company's fully diluted common stock. No additional shares are issued—rather, the approval enables full conversion of shares already held. If such approval is not obtained by November 28, 2025, the exchange ratio will adjust from 1.0 to 1.25, increasing the number of common stock issuable upon conversion of each exchangeable share.

As of June 30, 2025, shareholder approval of the Parent Stockholder Matters had not been obtained, and the exchangeable shares remain subject to the initial conversion limitations.

Litigation

On February 22, 2024, the Company received a threat of litigation seeking restitution for losses resulting from alleged unlawful actions taken by the Company and its board of directors. The claimant contends that he and others have sustained losses totaling approximately \$1,440,000. On March 22, 2024, September 3, 2024, September 27, 2024 and December 6, 2024, the claimant sent additional letters to the Company referencing the previous letters and requesting several documents. On September 19, 2024, the Company sent the claimant a cease and desist and litigation hold notice which threatened legal action against the claimant if the conduct continued. On March 24, 2025, the Company entered into a settlement agreement with the claimant and accrued \$494,000 as of June 30, 2025 and December 31, 2024.

We may be subject at times to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its financial position, results of operations or liquidity.

Stock-based compensation

The Company takes some tax positions, including the reporting of stock-based compensation, that may not be accepted by the Internal Revenue Service upon an examination, and we may be subject to penalties for underreporting of recipient's income. The result of any such examination is uncertain, and any such penalties could be material to our financial position and results of operations given our current limited cash and revenues.

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NOTE 13 – BUSINESS ACQUISITION

Streamex Exchange Corporation

Transaction Overview

On May 28, 2025, the Company completed the acquisition of Streamex Exchange Corporation (“Streamex”), a software development company based in Vancouver, British Columbia, specializing in digital tools for commodity trading and finance.

The acquisition was effected pursuant to a Share Purchase Agreement dated May 23, 2025, as amended on May 27, 2025 (collectively, the “Agreement”), by and among BioSig, its wholly-owned subsidiaries BST Sub ULC (“ExchangeCo”) and 1540875 B.C. Ltd. (“CallCo”), the shareholders of Streamex (the “Shareholders”), and 1540873 B.C. Ltd., as trustee under the Exchange Rights Agreement.

Under the terms of the Agreement, ExchangeCo acquired all of the issued and outstanding shares of Streamex (the “Purchased Shares”) in exchange for 109,070,079 Exchangeable Shares of ExchangeCo, issued at a ratio of 2.046862 Exchangeable Shares per Purchased Share. The Exchangeable Shares are exchangeable on a one-for-one basis for shares of BioSig common stock, subject to certain adjustments and conditions described below.

The purpose of the Acquisition is to enhance shareholder value by combining with a privately held operating company and positioning the combined entity for future growth with expansion into digital commodity trading and blockchain-based financial technologies. The acquisition is expected to enhance BioSig’s product offerings, accelerate blockchain integration, and provide access to Streamex’s engineering talent and regulatory infrastructure.

Shareholder Approval and Contingent Features

Initially, the Exchangeable Shares are not exchangeable into more than 19.99% of BioSig’s outstanding common stock on a pre-transaction basis, in accordance with Nasdaq listing rules. Following the closing, BioSig intends to seek stockholder approval to:

- Approve the issuance of our shares of common stock exchangeable for Exchangeable Shares and one share of Special Voting Preferred Stock in connection with the Agreement.
- Approve the New Incentive Plan as outlined in the Agreement.
- Approve an amendment to our Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 200,000,000 to 500,000,000.
- Approve of an amendment to our Amended and Restated Certificate of Incorporation to classify our board of directors into three staggered classes.

If stockholder approval is obtained, the Shareholders will be entitled to receive, in total, shares representing 75% of BioSig’s fully diluted common stock as of the Agreement date. If approval is not obtained within six months of closing, the Exchange Ratio will adjust from 1.0 to 1.25, increasing the number of BioSig shares issuable upon exchange.

Consideration Transferred

The preliminary fair value of the consideration transferred was \$105.7 million, consisting of:

- \$105.5 million in Exchangeable Shares issued by ExchangeCo; and
- \$0.2 million in assumed liabilities.

Due to the lack of an active market for the Exchangeable Shares and the contingent nature of their conversion, a fundamentals-based valuation approach was used to estimate the fair value of the consideration. The contingent consideration related to the potential adjustment of the Exchange Ratio from 1.0 to 1.25—triggered if shareholder approval is not obtained within six months following the closing date—is not included in the preliminary purchase consideration as of May 28, 2025. Management believes it is probable that shareholder approval will be obtained within the specified period, and therefore, the contingency is not considered to represent a currently estimable obligation under ASC 805.

In connection with the acquisition of Streamex Exchange Corporation, the Company incurred total acquisition-related costs of \$7,116,411 during the three and six months ended June 30, 2025. These costs primarily consisted of legal, accounting, and consulting fees directly attributable to the transaction. Included in this amount was the issuance of 200,000 shares of the Company’s common stock to a third-party consultant, valued at \$1,010,000 based on the grant-date fair value and the expected issuance of 1,030,065 shares of the Company’s common stock to third party consultants in connection with a finders fee, valued at \$6,025,880. These costs were expensed as incurred and are reflected in general and administrative expenses in the unaudited condensed consolidated statements of operations.

Purchase Price Allocation

The Company has applied the acquisition method of accounting in accordance with ASC 805, Business Combinations (“ASC 805”) and recognized assets acquired and liabilities assumed at their fair value as of the date of acquisition, with the excess purchase consideration recorded to goodwill. As the Company finalizes the estimation of the fair value of the assets acquired and liabilities assumed, additional adjustments may be recorded during the measurement period (a period not to exceed 12 months from the acquisition date).

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The Company recorded all tangible and identifiable intangible assets acquired and liabilities assumed at their preliminary estimated fair values as of the acquisition date. The preliminary allocation is as follows:

Preliminary Amount Recognized as of the Acquisition Date (In Thousands)	
Assets acquired	
Cash	\$ 366
Due from related party	11
Sales tax receivable	14
Prepaid expenses	22
Trade name	5,100
Developed technology	40,000
Legal and compliance framework	2,400
Goodwill	57,847
Total assets acquired	<u>\$ 105,760</u>
Liabilities assumed	
Accounts payable and accrued expenses	\$ (262)
Total liabilities assumed	<u>\$ (262)</u>
Net assets acquired	<u>105,498</u>

No adjustments to the purchase price were recorded during the measurement period ended June 30, 2025. Changes to the provisional amounts recognized at the acquisition date—if based on new information about facts and circumstances that existed as of the acquisition—must be accounted for retrospectively during the measurement period. As no such changes were identified during the current period, the preliminary purchase price allocation remains unchanged.

Intangible Assets

The Company identified the following finite-lived intangible assets:

- **Trade Name:** Valued at \$5.1 million using the relief-from-royalty method, applying a 1.0% royalty rate and a 40.5% discount rate. The trade name is expected to be utilized over a 10-year period and is amortized accordingly.
- **Developed Technology**

Comprised of two distinct components, both valued using the multi-period excess earnings method (MPEEM) and amortized over 8 years:

- **Securitization Platform:** Valued at \$31.1 million, representing proprietary protocols and infrastructure enabling the tokenization of real-world assets and integration with decentralized finance platforms.
- **Blockchain Integration:** Valued at \$8.9 million, reflecting proprietary systems facilitating token creation and secondary market trading through blockchain-based platforms.
- **Legal and Compliance Framework:** Valued at \$2.4 million using the cost approach, based on the estimated cost to recreate the regulatory and legal infrastructure necessary for operations. The asset has a useful life of 7 years and is amortized accordingly. The legal and compliance framework is expected to contribute to future revenue generation by enabling the Company to operate in regulated jurisdictions, supporting onboarding of clients who require robust compliance infrastructure, enhancing credibility with partners, regulators and investors and reducing legal and regulatory risk exposure.

Goodwill

Goodwill of \$57.8 million represents the excess of the purchase consideration over the fair value of net assets acquired. Goodwill of \$57.8 million was recognized in connection with the acquisition. None of the goodwill is expected to be deductible for tax purposes. The goodwill is assigned to the consolidated reporting unit, as the Company operates as a single segment. The goodwill primarily represents expected synergies, assembled workforce, and future growth potential. No goodwill arose from step acquisitions or noncontrolling interests.

Measurement Period

The Acquisition was recorded as a business combination on a preliminary valuation of assets acquired and liabilities assumed at their acquisition date fair values using unobservable inputs that are supported by little or no market activity and are significant to their fair value of the assets and liabilities (“Level 3” inputs). We expect to complete our purchase price allocation, as well as our fair value estimate of the purchase price consideration as soon as reasonably possible, not to exceed one year from the acquisition date. Adjustments to the preliminary purchase price allocation could be material. Goodwill and intangible assets represent the excess of the purchase price consideration over the preliminary valuation of the net assets acquired.

As of June 30, 2025, the purchase price allocation remains preliminary. The Company is continuing to assess the fair values of certain identifiable intangible assets and contingent liabilities, including the potential adjustment to exchangeable shares in the event shareholder approval is not obtained. As the shareholder vote had not occurred as of June 30, 2025, the related contingency remains unresolved and subject to final valuation.

Pro-Forma Financial Information (Unaudited)

The following unaudited pro forma information presents the consolidated results of Streamex included in the Company’s unaudited condensed consolidated statement of operations and comprehensive loss for the three and six months ended June 30, 2025, as if the acquisition was made on January 1, 2025, and operations for the three and six months ended June 30, 2024, as if the Acquisition had occurred on April 5, 2024, the date of inception of Streamex. The unaudited pro forma information is presented for illustrative purposes only. It is not necessarily indicative of the results of operations of future periods, or the results of operations that actually would have been realized had the entities been a single company during the periods presented or the results that the combined company will experience after the acquisition. The unaudited pro forma information does not give effect to the potential impact of current financial conditions, regulatory matters or any anticipated synergies, operating efficiencies or cost savings

that may be associated with the acquisition. The unaudited pro forma information also does not include any integration costs or remaining future transaction costs that the companies may incur related to the acquisition as part of combining the operations of the companies.

The unaudited pro forma consolidated results of revenue and net loss, assuming the acquisition had occurred on January 1, 2025, is as follows:

	For the Three months Ended June 30, 2025	For the Six months ended June 30, 2025
Revenue	\$ -	\$ 204
Net loss	(13,992)	(25,773)

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The unaudited pro forma consolidated results of revenue and net loss, assuming the acquisitions had occurred on April 1, 2024, the date of inception of Streamex, is as follows:

	For the Three months ended June 30, 2024	For the Six months ended June 30, 2024
Revenue	\$ 13	\$ 27
Net loss	(13,365)	(16,780)

The unaudited pro forma results for the three months ended June 30, 2025, include material nonrecurring adjustments related to the Streamex acquisition, including \$890 of amortization expense associated with intangible assets acquired in the transaction, \$6,026 of finder's fees incurred and earned upon closing, \$400 of severance expense related to the resignation of BioSig's former CEO following the acquisition, and \$1,010 related to the issuance of 200,000 shares of BioSig common stock to a consultant in lieu of cash compensation in connection with the acquisition.

The unaudited pro forma results for the six months ended June 30, 2025, include material nonrecurring adjustments of \$2,280 related to the amortization of intangible assets acquired in connection with the Streamex acquisition.

The unaudited pro forma results for the three and six months ended June 30, 2024, include material nonrecurring adjustments of \$1,456 related to the amortization of intangible assets acquired in connection with the Streamex acquisition, \$6,026 related to the finders fees incurred and earned upon closing of the transaction, \$400 of severance expense related to the resignation of BioSig's former CEO following the acquisition, and \$1,010 related to the issuance of 200,000 shares of BioSig common stock to a consultant in lieu of cash compensation in connection with the acquisition.

For the three and six months ended June 30, 2025, the operating activities of Streamex included in the Company's consolidated statement of operations and comprehensive loss were insignificant to the Company's financial results.

NOTE 14 – FAIR VALUE MEASUREMENTS

The Company measures certain financial instruments at fair value on a recurring basis in accordance with ASC 820, Fair Value Measurement. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Assets and liabilities that are measured at fair value on a nonrecurring basis relate primarily to tangible property and equipment, goodwill and other intangible assets, which are remeasured when the derived fair value is below carrying value in the consolidated balance sheets. For these assets, the Company does not periodically adjust carrying value to fair value except in the event of impairment. If it is determined that impairment has occurred, the carrying value of the asset is reduced to fair value and the difference is included in impairments and other charges, net in the consolidated statements of operations.

Assets that are measured at fair value and classified as level 3 on a nonrecurring basis are as follows:

Description	May 28, 2025
Trade name	\$ 5,100
Developed technology	\$ 40,000
Legal and compliance framework	\$ 2,400
Goodwill	\$ 57,847

All these assets were measured at the acquisition dates in conjunction with the Streamex acquisition.

The significant unobservable inputs used in our level 3 fair value measurements during the six months ended June 30, 2025 are as follows:

Areas	Valuation Techniques	Unobservable Inputs	Range (Weighted Average)
Trade name	Relief-from-Royalty Method	Royalty Rate	1%
			53% average through FY2030,
		Revenue Growth Rate	3% thereafter
		Discount rate	40%
		Income tax rate	26%
Developed technology	Multi-Period Excess Earnings Method (MPEEM)	Tax amortization period	20 yrs
		Royalty rate	1%
			53% average through FY2030,
		Revenue Growth Rates	3% thereafter
		Expense Growth Rates	16% - 26%
		Contributory Assets' Charge	17.1% - 193.6%
		Obsolesce	Sigmoid curve over 8-year life
		Distributor EBIT margin for customer relationships	9%
		Discount rate	40%
		Income tax rate	26%
Legal and compliance framework	Cost Approach	Tax amortization period	20 yrs
		Replacement cost growth rate	3%
		Cap Ex Rates	1%
		Contributory Assets Rates	40%
		After tax rate of return	40%
		Useful life	7 yrs

In connection with the acquisition of Streamex Exchange Corporation on May 28, 2025, BioSig Technologies, Inc. issued 109,070,079 Exchangeable Shares through its wholly-owned subsidiary, ExchangeCo, as purchase consideration. The Exchangeable Shares are convertible into BioSig common stock on a 1:1 basis, subject to a 1.25:1 adjustment if shareholder approval is not obtained within six months. As of the acquisition date, the Exchangeable Shares were not exchangeable into more than 19.9% of BioSig’s outstanding common stock, pending shareholder approval.

Due to the lack of an active market and the contingent nature of conversion, the Exchangeable Shares were classified as a Level 3 instrument under ASC 820.

The fair value of the derivative liability was estimated using a discounted cash flow method. The following table summarizes the significant unobservable inputs used in the valuation:

Initial Recognition – May 28, 2025

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The fair value of the Exchangeable Shares upon initial recognition was estimated using a fundamentals-based valuation of Streamex's enterprise value, rather than observable market inputs. The valuation incorporated:

- Valuation technique: Discounted Cash Flow (DCF) method
- Key unobservable inputs:
 - Discount rate: 40.0%
 - Terminal growth rate: 3.0%
 - Capitalization rate: 37.0%
 - Revenue growth rate: 53% average annual growth through FY2030, 3% thereafter
 - Expense rate: 16% - 26%
 - Capital expenditure rate: 1% of revenue annually
 - Income tax rate: 26%
- Fair value conclusion: \$105.5 million (USD in 000s)

This valuation was used to determine the total preliminary purchase consideration for the acquisition.

Subsequent Measurement – June 30, 2025

As of June 30, 2025, the Exchangeable Shares remained unlisted and subject to shareholder approval for full conversion. No observable market transactions occurred during the period. The Company reassessed the fair value using updated inputs, including:

- Reaffirmed discount rate: 40.0%, consistent with venture-stage risk profile
- Updated cash flow projections: No material deviation from initial PFI
- Conversion probability: Management continued to assess shareholder approval as probable, but not yet obtained

As a result, the fair value of the Exchangeable Shares remained unchanged at \$105.5 million as of June 30, 2025. The instrument continues to be classified as Level 3 due to the absence of observable market inputs and the contingent nature of conversion.

Rollforward of Level 3 Fair Value Measurements:

	Amount (\$000s)
Initial recognition (May 28, 2025)	\$ 105,498
Change in fair value	-
Settlements (Exchange to Common Stock)*	-
Balance as of June 30, 2025	\$ 105,498

*Represents the reduction in derivative liability for Exchangeable Shares exchanged for common stock upon shareholder approval. No exchanges occurred during the period ended June 30, 2025.

There were no transfers into or out of Level 3 during the period. Any future exchanges of Exchangeable Shares for common stock will be reflected as settlements in the rollforward table.

The Company's valuation process for Level 3 fair value measurements involves consultation with independent valuation specialists and review by management. The process includes regular reassessment of key assumptions and inputs.

The fair value of the Exchangeable Shares is sensitive to changes in key unobservable inputs, particularly the discount rate and projected cash flows. An increase in the discount rate or a decrease in projected cash flows would result in a lower fair value measurement. These inputs are interrelated, as higher perceived risk (reflected in the discount rate) may also impact management's cash flow expectations. Due to the venture-stage nature of Streamex and the contingent conversion feature, the valuation remains highly sensitive to these assumptions.

NOTE 15 – SEGMENT REPORTING

Chief Operating Decision Maker (CODM) and Segment Evaluation

On May 28, 2025, in connection with the acquisition of Streamex Exchange Corporation, the Company appointed Henry McPhie, former co-founder and CEO of Streamex, as its new Chief Executive Officer and Board of Directors. As a result of this leadership change, Mr. McPhie was designated as the Company's new Chief Operating Decision Maker ("CODM"), replacing Anthony Amato, the Company's former CEO and director.

Following this change, the Company re-evaluated its operating and reportable segments based on the internal financial information reviewed by the CODM for purposes of performance assessment and resource allocation. Although the acquisition of Streamex introduced a new line of business focused on digital asset infrastructure, the CODM has not yet begun reviewing Streamex's operating results separately for purposes of performance assessment or resource allocation. As of June 30, 2025, the CODM continues to evaluate the Company's financial performance on a consolidated basis, and the internal reporting structure has not been modified to reflect discrete segment-level financial information.

Management believes that a transitional period is appropriate given the timing of the acquisition, the pre-revenue status of Streamex, and the pending financing and shareholder approvals necessary to operationalize the Streamex platform. Accordingly, the Company has concluded that no change in reportable segments has occurred as of June 30, 2025. The Company will continue to monitor the CODM's review practices and internal reporting structure and will update its segment disclosures in future periods if and when discrete financial information is regularly reviewed at the segment level.

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In accordance with ASC 280-10-50-34, if a change in reportable segments occurs in a future period, the Company will recast prior-period segment disclosures retrospectively to reflect the new segment structure.

Basis of Segmentation

The Company's CODM evaluates financial performance and allocates resources on a consolidated basis. The Company manages its operations as one integrated business, and the CODM does not receive or review separate financial information for Streamex or any other business unit. This approach reflects the manner in which the CODM:

- Assesses performance against budgeted targets;
- Forecasts future financial results;
- Makes strategic and operational decisions;
- Allocates resources across the organization.

Accordingly, the Company has determined that it operates as one reportable and operating segment as of June 30, 2025

Management continues to evaluate whether the Streamex business may become a separate reportable segment in future periods, depending on the scale and financial significance, and the CODM's review of discrete operating results.

Segment Performance Measures

The primary measure used by the CODM to assess performance is consolidated net loss, which is reviewed in conjunction with other consolidated financial metrics. The CODM also evaluates actual results against budgeted amounts and considers consolidated operating results in making decisions about research and development investments and other strategic initiatives.

Segment assets are not separately reported to or reviewed by the CODM. Therefore, the Company does not disclose segment asset information. All assets are managed on a consolidated basis and are reported in the Company's unaudited condensed consolidated balance sheets.

The Company does not currently disclose geographic revenue or customer concentration by segment, as such information is not reviewed by the CODM. However, this will be reassessed as operations evolve.

Revenue and Expense Information

Information concerning the operations of the Company's reportable segments is as follows:

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	2025 (000's)	2024 (000's)	2025 (000's)	2024 (000's)
Revenues	\$ -	\$ 13	\$ -	\$ 27
Less Segment expenses:				
Research and development	19	209	25	505
Research and development - stock-based compensation expenses	-	133	-	75
General and administrative	7,672	615	8,554	2,378
General and administrative - stock-based compensation expenses	12,120	4,299	14,194	5,418
Impairment of long term assets	-	-	-	253
Depreciation and amortization	554	49	577	127
Total operating and segment expense	(20,365)	(5,305)	(23,350)	(8,756)
Plus:				
Interest income (expense)	13	(5)	13	(8)
Gain on settlement and extinguishment of debt	(3)	1,388	196	1,388
Other income (expense)	(13)	(2)	(28)	23
Total other income (expense)	(3)	1,381	181	1,403
Segment Net Loss	\$ (20,368)	\$ (3,911)	\$ (23,169)	\$ (7,326)
Non-controlling interest	(4)	(4)	(16)	9
Net loss attributable to BioSig Technologies, Inc.	\$ (20,372)	\$ (3,915)	\$ (23,185)	\$ (7,317)

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NOTE 16 – RELATED PARTY TRANSACTIONS

Accounts payable and accrued expenses include due to related parties comprised primarily director fees and travel reimbursements. Due to related parties as of June 30, 2025 and December 31, 2024, was \$466,000 and \$19,000, respectively. Included in the balance as of June 30, 2025 is \$11,000 due from Henry McPhie, the Company's new Chief Executive Officer and Board of Directors.

During the six months ended June 30, 2025, the Company issued an aggregate of 235,000 shares of its common stock to Mr. Groenewald, the Interim Chief Financial Officer, with a total grant-date fair value of \$0.95 million

During the six months ended June 30, 2025, the Company issued 2,198,345 shares of its common stock to Mr. Amato, the Chief Executive Officer, with an aggregate grant date fair value of \$5.9 million. The issuances were primarily made in connection with Mr. Amato's resignation pursuant to the terms of the Purchase Agreement dated May 23, 2025, and the First Amendment to his Executive Employment Agreement. Under the amendment, all previously granted equity awards — including vested and unvested stock options, RSUs, PSUs, and other equity-based awards — were accelerated and deemed fully vested and nonforfeitable as of the Effective Date of the transaction. This treatment was contractually agreed upon as part of the severance provisions associated with Mr. Amato's resignation in connection with the Company's acquisition of Streamex Exchange Corporation.

NOTE 17 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through the date on which these unaudited condensed financial statements were issued. Other than as described in the notes above, the Company did not have any material subsequent events that impacted its unaudited condensed financial statements or disclosures.

Equity transactions

In July and August 2025, the Company issued an aggregate of 625,746 shares of common stock in exchange for 796,417 warrants cashless exercised.

Senior Secured Convertible Debenture and Equity Agreements

On July 7, 2025, BioSig Technologies, Inc. entered into a secured convertible debenture purchase agreement with YA II PN, LTD., a Cayman Islands exempt limited company ("Yorkville" or the "Investor"), pursuant to which Yorkville will purchase senior secured convertible debentures in the aggregate principal amount of USD\$100,000,000 (the "Convertible Debentures"), which will be convertible into shares of the Company's common stock, par value \$0.001 per share. On August 13, 2025, the Company amended the agreement to revise the structure of the transaction.

Under the amended terms, Yorkville will purchase two secured convertible debentures: one in the principal amount of \$25 million and another in the principal amount of \$25 million. Additional secured convertible debentures totaling up to \$50 million may be issued upon mutual agreement of the parties, at their sole discretion. The purchase price for each debenture remains 96% of its face value. The Convertible Debentures are convertible into shares of the Company's common stock, subject to shareholder approval and customary closing conditions. The amendment also sets a floor price for conversions at 20% of the Nasdaq Official Closing Price immediately prior to the original agreement date.

Standby Equity Purchase Agreement

On July 7, 2025, the Company entered into a Standby Equity Purchase Agreement ("SEPA") with an institutional investor (the "Investor"). Under the SEPA, the Company has the right, but not the obligation, to issue and sell to the Investor up to \$1,000,000,000 of its Common Stock, from time to time during a 36-month commitment period, subject to certain terms, limitations, and conditions.

The Company controls the timing and amount of any sales of Common Stock to the Investor under the SEPA at its discretion. The Company may deliver an advance notice ("Advance Notice") to the Investor specifying the number of shares it elects to sell, but may not deliver an Advance Notice until any issued Convertible Debenture(s) has been repaid and/or converted in full, except with the Investor's prior written consent. Each Advance Notice will be priced at 97% of the lowest VWAP of the Common Stock during the three consecutive trading days commencing on the date the Advance Notice is received by the Investor, subject to certain adjustments if the daily VWAP is below a minimum acceptable price specified by the Company. No Advance Notice may cause the Investor's beneficial ownership to exceed 4.99% of the Company's outstanding Common Stock. The Company may not deliver Advance Notices that would cause the aggregate number of shares issued under the SEPA to exceed the Exchange Cap (representing 19.99% of the Common Stock outstanding as of the effective date of the SEPA), unless (a) approval of the Company's stockholders is obtained or (b) the average price of all sales of Common Stock under the SEPA equals or exceeds \$9.414, as defined in the agreement.

The Company is required file a registration statement with the SEC to register for resale the Common Stock issuable under the SEPA and is required agree to maintain its effectiveness during the term of the SEPA. The Investor's obligation to purchase Common Stock under the SEPA is subject to customary closing conditions, including the effectiveness of the registration statement.

As consideration for the Investor's commitment under the SEPA, the Company agreed to pay a commitment fee equal to 1.0% of the commitment amount, with the initial payment due concurrently with the first closing of a sale under the SEPA, and the balance payable in equal quarterly installments within fifteen days after the end of the applicable calendar quarter, in either cash or shares of Common Stock, at the Investor's discretion.

The SEPA contains customary representations, warranties, covenants, conditions, and indemnification obligations of the parties. The SEPA will terminate automatically on the earliest of (i) 36 months after the date of execution, or (ii) the date the Investor has purchased the full commitment amount of Common Stock. The Company may also terminate the SEPA at any time without fee or penalty upon five business days' written notice to the Investor, provided there are no pending Advance Notices.

August 2025 Public Offering

On August 15, 2025, the Company completed a public offering of 3,852,149 shares of its common stock at a public offering price of \$3.90 per share, generating gross proceeds of approximately \$15.0 million before deducting underwriting discounts, commissions, and estimated offering expenses. Net proceeds from the offering were approximately \$13.62 million.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management’s Discussion and Analysis of Financial Condition and Results of Operations includes a number of forward-looking statements that reflect Management’s current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as “may,” “will,” “expect,” “anticipate,” “believe,” “estimate” and “continue,” or similar words. Those statements include statements regarding the intent, belief or current expectations of us and members of our management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the Securities and Exchange Commission. Important factors currently known to Management could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. We believe that our assumptions are based upon reasonable data derived from and known about our business and operations. No assurances are made that actual results of operations or the results of our future activities will not differ materially from our assumptions. Factors that could cause differences include, but are not limited to, expected market demand for our products, fluctuations in pricing for materials, and competition.

Business Overview

On May 28, 2025, BioSig Technologies, Inc. (“BioSig” or the “Company”) completed its acquisition of Streamex Exchange Corporation (“Streamex”). As a result, the financial results for the three months ended June 30, 2025 include the full operations of BioSig and its wholly and majority-owned subsidiaries, as well as approximately five weeks of operations from the acquired Streamex business.

BioSig is a medical device technology company focused on developing and commercializing advanced digital signal processing solutions for electrophysiology. The Company’s flagship product, the PURE EP™ Platform (“PURE EP™”), is designed to deliver real-time, high-fidelity cardiac signal data to electrophysiologists during ablation procedures for the treatment of cardiovascular arrhythmias.

The PURE EP™ Platform enables the acquisition of raw intracardiac signals with minimal noise and interference, supporting improved procedural outcomes and clinical decision-making. By preserving the integrity of complex cardiac signals, PURE EP™ is intended to enhance workflow efficiency and support the treatment of challenging arrhythmias, including ventricular tachycardia (VT) and atrial fibrillation (AF).

In recent quarters, BioSig has shifted its strategic focus from commercial hardware distribution to the research and development of proprietary software algorithms. These algorithms aim to advance the understanding of cardiac tissue characteristics and ablation mechanisms. Data collection efforts began in December 2023 and remain ongoing. A key area of focus is improving the specificity and long-term outcomes of pulsed field ablation (PFA), a rapidly adopted technique in electrophysiology.

As of June 30, 2025, BioSig’s intellectual property portfolio includes:

- 41 issued or allowed utility patents, of which 29 list BioSig as at least one of the applicants;
- 31 pending U.S. and foreign utility patent applications, jointly or solely filed by BioSig and Mayo Foundation for Medical Education and Research (“Mayo”);
- 1 issued U.S. patent and 1 pending U.S. application related to artificial intelligence (AI);
- 30 issued worldwide design patents, covering display screens and graphical user interfaces for biomedical signal visualization;
- 12 issued/allowed patents and 9 pending applications licensed from Mayo, primarily directed to electroporation and stimulation technologies.

Through the acquisition of Streamex, BioSig has expanded its strategic focus to include digital infrastructure for the tokenization and exchange of real-world assets (“RWAs”), with an initial emphasis on gold-backed financial products. Streamex is developing a blockchain-based platform designed to facilitate the compliant issuance, trading, and custody of tokenized commodities and structured digital securities.

As of the reporting date, Streamex remains in the development stage and is pre-revenue. The Company is actively building out the platform’s architecture, regulatory framework, and strategic partnerships. Revenue-generating activities are expected to commence upon the launch of Streamex’s tokenized gold financing product, which is currently under development.

Results of Operations (000's)

We anticipate that our results of operations will fluctuate for the foreseeable future due to several factors, such as the progress of our research and development and commercialization efforts, the timing and outcome of future regulatory submissions and uncertainty around the current pandemic. Due to these uncertainties, accurate predictions of future operations are difficult or impossible to make.

Three Months Ended June 30, 2025 Compared to Three Months June 30, 2024 (000's)

Revenues and Cost of Goods Sold. Revenue for the three months ended June 30, 2025 and 2024 was \$0 and \$13, respectively, and comprised of recognized service revenue.

We derive our revenue primarily from the sale of our medical device, PURE EP™ Platform, as well as related support and maintenance services and software upgrades in connection with the device.

Research and Development Expenses. Research and development expenses for the three months ended June 30, 2025 were \$19, a decrease of \$323, or 94%, from \$342 for the three months ended June 30, 2024. The decrease is primarily due to decreases in payroll, Data/AI development and research and clinical studies and design work for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. These reductions reflect a strategic shift in resource allocation during the quarter, as the Company prioritized efforts toward closing the Streamex acquisition. As a result, certain R&D initiatives were temporarily paused or scaled back to support transaction-related activities, including due diligence, integration planning, and executive bandwidth reallocation.

Research and development expenses were comprised of the following:

Three months ended:

	June 30, 2025	June 30, 2024
Salaries and equity compensation	\$ -	\$ 191
Consulting expenses	-	120
Research and clinical studies and design work	-	12
Regulatory	-	1
Travel, supplies, other	19	18
Total	<u>\$ 19</u>	<u>\$ 342</u>

General and Administrative Expenses. General and administrative expenses for the three months ended June 30, 2025 were \$19,792, an increase of \$14,878 or 303%, from \$4,914 incurred in the three months ended June 30, 2024. This increase is primarily due to an increase in stock-based compensation and professional fees consisting of legal, accounting and third-party consulting related to the acquisition of Streamex in the current period compared to the prior period. Stock-based compensation was \$12.1 million in the current period and made up approximately 61% of the general and administrative expense during the current period as compared to \$4.3 million in the prior period. The increase in stock-based compensation is due to the first amendment to the executive employment agreement with Mr. Amato in connection with the Streamex acquisition and paying third party consultants with stock in connection with the Streamex acquisition. Additionally, the Company also recognized \$6.0 million related to the finders fee in connection with the Streamex acquisition.

Depreciation and Amortization Expense. Depreciation and amortization expense for the three months ended June 30, 2025 totaled \$554, an increase of \$505, or 1031%, over the expense of \$49 incurred in the three months ended June 30, 2024, as a direct result of the amortization of the intangible assets recognized from the acquisition of Streamex.

Other Income (Expense). Other income (expense) for the three months ended June 30, 2025 totaled \$3, a decrease in other income of \$1,384, over the income of \$1,381 incurred in the three months ended June 30, 2024, as a direct result of our gain on settlement and extinguishment of accounts payable negotiated by management during the prior period.

Preferred Stock Dividend. Preferred stock dividend for the three months ended June 30, 2025 and 2024 totaled \$2 and \$3, respectively. Preferred stock dividends are related to the dividends accrued on our Series C Preferred Stock issued during the period from 2013 through 2015.

Net Loss Attributable to BioSig Technologies, Inc. Common Shareholders. As a result of the foregoing, net loss attributable to common shareholders for the three months ended June 30, 2025 was \$20,374 compared to a net loss of \$3,918 for the three months ended June 30, 2024.

Six Months Ended June 30, 2025 Compared to Six Months June 30, 2024 (000's)

Revenues and Cost of Goods Sold. Revenue for the six months ended June 30, 2025 and 2024 was \$0 and \$27, respectively, and comprised of recognized service revenue.

We derive our revenue primarily from the sale of our medical device, PURE EP™ Platform, as well as related support and maintenance services and software upgrades in connection with the device.

Research and Development Expenses. Research and development expenses for the six months ended June 30, 2025 were \$25, a decrease of \$555, or 96%, from \$580 for the six months ended June 30, 2024. The decrease is primarily due to decreases in payroll, Data/AI development and research and clinical studies and design work for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. These reductions reflect a strategic shift in resource allocation during the quarter, as the Company prioritized efforts toward closing the Streamex acquisition. As a result, certain R&D initiatives were temporarily paused or scaled back to support transaction-related activities, including due diligence, integration planning, and executive bandwidth reallocation.

Research and development expenses were comprised of the following:

Six months ended:

	June 30, 2025	June 30, 2024
Salaries and equity compensation	\$ -	\$ 364
Consulting expenses	1	120
Research and clinical studies and design work	-	51
Regulatory	-	2
Travel, supplies, other	24	43
Total	<u>\$ 25</u>	<u>\$ 580</u>

General and Administrative Expenses. General and administrative expenses for the six months ended June 30, 2025 were \$22,748 an increase of \$14,952 or 192%, from \$7,796 incurred in the six months ended June 30, 2024. This increase is primarily due to an increase in stock-based compensation and professional fees consisting of legal, accounting and third-party consulting related to the acquisition of Streamex in the current period compared to the prior period. Stock-based compensation was \$14.2 million in the current period and made up approximately 62% of the general and administrative expense during the current period as compared to \$5.4 million in the prior period. The increase in stock-based compensation is due to the first amendment to the executive employment agreement contract with Mr. Amato in connection with the Streamex acquisition and paying third party consultants with stock in connection with the Streamex acquisition. Additionally, the Company also recognized \$6.0 million related to the finders fee in connection with the Streamex acquisition.

Impairment of Long Term Assets. For the six months ended June 30, 2025, the Company determined that no events or changes in circumstances existed that would indicate any impairment of its long-lived assets. During the six months ended June 30, 2024, the Company re-assessed its carrying amounts of certain property and equipment due to reduced manufacturing of its commercial products and determined that these carrying amounts exceeded the estimated undiscounted future cash flows. Accordingly, the Company recorded a \$253 impairment charge to current operations.

Depreciation and Amortization Expense. Depreciation and amortization expense for the six months ended June 30, 2025 totaled \$577, an increase of \$450, or 354%, over the expense of \$127 incurred in the six months ended June 30, 2024, as a direct result of the amortization of the intangible assets recognized from the acquisition of Streamex.

Other Income (Expense). Other income (expense) for the six months ended June 30, 2025 totaled \$181, a decrease in other income of \$1,222, over the income of \$1,403 incurred in the six months ended June 30, 2024, as a direct result of our gain on settlement and extinguishment of accounts payable negotiated by management during the prior period.

Preferred Stock Dividend. Preferred stock dividend for the six months ended June 30, 2025 and 2024 totaled \$(5) and \$(5), respectively. Preferred stock dividends are related to the dividends accrued on our Series C Preferred Stock issued during the period from 2013 through 2015. In addition, the Series C Preferred stock conversion rate reset from \$2.50 to \$0.5302 in during the six months ended June 30, 2024, therefore we recorded a noncash deemed preferred stock dividend of \$133 in the prior period.

Net Loss Attributable to BioSig Technologies, Inc. Common Shareholders. As a result of the foregoing, net loss attributable to common shareholders for the six months ended June 30, 2025 was \$23,190 compared to a net loss of \$7,455 for the six months ended June 30, 2024.

Segment Results

Operating Operating segments are defined as components of an enterprise for which discrete financial information is available and regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") in assessing performance and allocating resources, in accordance with ASC 280, Segment Reporting.

On May 28, 2025, the Company appointed Henry McPhie, former CEO of Streamex Exchange Corporation, as its new CEO and Chairman of the Board of Directors, thereby designating him as the Company's CODM. Following this leadership change and the acquisition of Streamex, the Company re-evaluated its internal reporting structure and the financial information reviewed by the CODM.

Based on this assessment, the CODM continues to evaluate the Company's financial performance and make resource allocation decisions on a consolidated basis. The CODM reviews total revenues, total expenses, and expenses by functional classification across the entire enterprise, rather than by discrete business units. This approach reflects the integrated nature of the Company's operations and the centralized management of its resources.

As a result, the Company has determined that it operates in one reportable and operating segment. This segment includes the Company's legacy medical device operations, including the PURE EP™ Platform, as well as the development-stage activities related to the Streamex digital asset infrastructure business.

The Company will continue to monitor its internal reporting structure and the information reviewed by the CODM and will update its segment disclosures as necessary to reflect any changes in how the business is managed.

The Summary Statement of Operations and Comprehensive Loss for the three and six months ended June 30, 2025, as compared to the three and six months ended June 30, 2024, is detailed in Note 15 of the accompanying unaudited condensed consolidated financial statements.

Liquidity and Capital Resources and Going Concern (\$000's)

As of June 30, 2025, we had a working capital deficit of \$110 million.

For the six months ended June 30, 2025, we used \$2.39 million of cash in operating activities and provided \$366 of cash in investing activities.

For the six months ended June 30, 2025, cash provided by financing activities totaled \$4,700, comprised of proceeds from the sale of our common stock and warrants of \$818 and proceeds from sale of common stock under the-at-the-marketing offering of \$3,882.

As of June 30, 2025, we had an accumulated deficit of \$278,529, a net loss attributable to BioSig Technologies, Inc. Common Shareholders of \$23,190 and continued negative cash flows from operations. In addition, the Company does not currently have sufficient cash or committed financing to fund its operations for the twelve months following the issuance of this Form 10-Q. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

We expect to continue incurring operating losses and negative cash flows until our products, primarily the PURE EP™ Platform, achieve sustained commercial success. While we have commercial products available for sale, we have not yet generated significant revenue, and there is no assurance that future revenues will be sufficient to fund operations.

Additionally, our recently acquired Streamex business is in the development stage and has not yet generated revenue. We expect to incur additional costs related to platform development, regulatory compliance, and strategic partnerships before revenue-generating activities commence.

Our ability to continue as a going concern is dependent on securing additional financing. We are actively exploring various funding sources, including:

- Public or private equity offerings
- Strategic partnerships or licensing arrangements
- Government grants or non-dilutive funding
- Debt financing, where feasible

We have implemented cost-saving measures to reduce our operating expenses, including reductions in executive compensation, workforce, and reliance on external consultants. These actions are intended to lower our cash burn rate and extend our operating runway. However, there can be no assurance that these measures will be sufficient or that we will be successful in obtaining the necessary funding.

Series C Preferred Stock Redemption Risk

Our Series C Preferred Stock includes triggering events that may require redemption at the option of the holders. These include:

- Redemption in cash at the greater of (i) 120% of the \$1 stated value or (ii) the product of the variable weighted average price of our common stock and the stated value divided by the then-current conversion price; or
- Redemption in common stock, calculated as the redemption amount divided by 75%.

As of June 30, 2025, the aggregate stated value of our Series C Preferred Stock was \$105. Triggering events include, among others, judgments exceeding \$100,000 or the initiation of bankruptcy proceedings. If such events occur, we may be required to redeem the Series C Preferred Stock, which could result in a significant liquidity obligation that we may not be able to satisfy. Unpaid redemption amounts accrue interest at a rate of up to 18% per annum or the maximum rate permitted by law.

Future Capital Requirements and Risks

We expect to continue incurring expenses related to:

- Commercialization of the PURE EPTM Platform
- Research and development of new product candidates
- Clinical trials and regulatory activities
- Expansion of business infrastructure and public company compliance
- Integration and scaling of Streamex's tokenization platform and digital asset infrastructure
- Development of real-world asset (RWA) tokenization solutions, including commodities-on-chain initiatives

Our future capital requirements will depend on several factors, including:

- Progress and results of our R&D programs
- Timing and outcome of regulatory approvals
- Costs associated with intellectual property protection
- Market acceptance and commercialization success
- Availability of financing and strategic partnerships
- Execution of Streamex's growth strategy within the global commodities and digital asset markets
- Infrastructure and personnel investments required to support Streamex's platform scalability and compliance

On July 7, 2025, the Company entered into two financing agreements to support its long-term capital needs: (i) a Senior Secured Convertible Debenture Purchase Agreement with YA II PN, Ltd. ("Yorkville"), pursuant to which the Company may issue up to \$100 million in convertible debentures, and (ii) a Standby Equity Purchase Agreement ("SEPA") with an institutional investor, allowing the Company to sell up to \$1 billion of common stock over a 36-month period.

On August 13, 2025, the Company amended the agreement to revise the structure of the transaction. Under the amended terms, Yorkville will purchase two secured convertible debentures, each in the principal amount of \$25 million. Additional secured convertible debentures totaling up to \$50 million may be issued upon mutual agreement of the parties, at their sole discretion. The purchase price for each debenture remains 96% of its face value. The Convertible Debentures are convertible into shares of the Company's common stock, subject to shareholder approval and customary closing conditions. The amendment also sets a floor price for conversions at 20% of the Nasdaq Official Closing Price immediately prior to the original agreement date.

Both agreements are subject to customary closing conditions, including stockholder approval and, in the case of the SEPA, the effectiveness of a registration statement. The Company may not access proceeds under the SEPA until any issued debentures have been repaid or converted, unless waived by the investor.

These financing arrangements are part of management's broader strategy to address liquidity needs and support commercialization, R&D, and infrastructure expansion. However, there can be no assurance that the conditions to closing will be satisfied or that funding will be available on acceptable terms.

Future financing may include the issuance of equity or debt securities, credit facilities, or other arrangements. Any such financing could result in dilution to existing shareholders or the issuance of securities with rights senior to those of our common stock. Market volatility and macroeconomic conditions may also adversely affect our ability to raise capital on acceptable terms.

If we are unable to obtain sufficient funding, we may be required to delay, reduce, or eliminate our research and development programs, scale back commercialization efforts, or enter into strategic arrangements that may require us to relinquish rights to certain technologies or products.

The Company's liquidity forecast includes assumptions regarding the timing of Streamex's product launch, expected capital inflows, and cost containment measures. A sensitivity analysis indicates that delays in product commercialization or capital raising could materially impact the Company's ability to continue as a going concern.

Equity Financing

On March 5, 2025, the Company entered into a securities purchase agreement with certain accredited investors pursuant to which the Company sold to the Investors an aggregate of 758,514 shares Common Stock at a purchase price of \$1.07974 per share, and warrants to purchase up to 758,514 shares of Common Stock at an exercise price of \$0.95474 per share, that will become exercisable six months after the date of issuance and will expire three and one-half years following the date of issuance, in exchange for aggregate consideration of \$818,998.

August 2025 Public Offering

On August 15, 2025, the Company completed a public offering of 3,852,149 shares of its common stock at a public offering price of \$3.90 per share, generating gross proceeds of approximately \$15.0 million before deducting underwriting discounts, commissions, and estimated offering expenses. Net proceeds from the offering were approximately \$13.62 million.

ATM Sales Agreement

For the six months ended June 30, 2025, the Company has sold 4,403,166 At The Market Offering Shares at an average offering price of \$0.91 per share for aggregate gross proceeds of \$4,019,063 or \$3,882,420 net of fees of \$136,643.

Critical Accounting Estimates

We prepare our unaudited condensed consolidated financial statements in accordance with GAAP, which require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. These estimates are based on historical experience, current conditions, and other factors that management believes to be reasonable under the circumstances. Actual results may differ materially from these estimates, and such differences could have a significant impact on our financial condition or results of operations.

We consider an accounting estimate to be critical if: (i) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (ii) changes in the estimate that are reasonably likely to occur from period to period or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations. There are items within our unaudited condensed consolidated financial statements that require estimation but are not deemed critical, as defined above.

As of June 30, 2025, the following accounting estimates are considered critical:

Valuation of Exchangeable Shares (Derivative Liability)

Nature of Estimate: The Exchangeable Shares issued in connection with the Streamex acquisition are classified as a derivative liability under ASC 815 due to contingent conversion rights.

Methodology: Fair value is estimated using a discounted cash flow (DCF) model, incorporating projected Streamex cash flows, a 40.0% discount rate, and a 3.0% terminal growth rate. The valuation reflects Level 3 inputs due to the absence of observable market data.

Estimation Uncertainty: The valuation is highly sensitive to assumptions regarding Streamex's future performance, regulatory milestones, and the timing and outcome of shareholder approval. These factors are inherently uncertain and subject to change.

Historical Accuracy and Changes: As of June 30, 2025, the fair value remained unchanged from initial recognition on May 28, 2025. No observable market inputs were available, and no exchanges occurred during the period.

Drivers of Variability: Key drivers include Streamex's commercialization timeline, macroeconomic conditions, and investor sentiment.

Future Sensitivity: If shareholder approval is not obtained by November 28, 2025, the exchange ratio will adjust from 1.0 to 1.25, increasing the number of shares issuable and potentially requiring a material upward revision to the liability.

Purchase Price Allocation (PPA) for Streamex Acquisition

Nature of Estimate: The allocation of purchase consideration to identifiable assets and liabilities involves significant judgment, particularly for intangible assets and goodwill.

Methodology: We applied Level 3 valuation techniques under ASC 805, including the relief-from-royalty method for trade name, multi-period excess earnings method (MPEEM) for developed technology, and cost approach for legal and compliance framework.

Estimation Uncertainty: These valuations rely on unobservable inputs such as royalty rates (1%), discount rates (40%), and projected cash flows.

Historical Accuracy and Changes: The PPA remains preliminary as of June 30, 2025. No adjustments have been recorded during the measurement period.

Drivers of Variability: Finalization of Streamex's financial forecasts, market comparables, and tax amortization benefits may materially affect the allocation.

Future Sensitivity: Adjustments to intangible asset values or recognition of contingent liabilities could materially impact goodwill and amortization expense.

For a detailed discussion of our significant accounting policies and related judgments, see Note 3 of the Notes to Unaudited Condensed Consolidated Financial Statements in "Item 1. Financial Statements" of this report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required under Regulation S-K for “smaller reporting companies.”

ITEM 4. CONTROLS AND PROCEDURES

Management’s evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(e) under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management’s evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are not designed at a reasonable assurance level and are not effective in providing reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management’s report on internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our company. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act, as a process designed by, or under the supervision of, a company’s principal executive and principal financial officer and effected by the our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible enhancements to controls and procedures.

Management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of June 30, 2025, based on the criteria in a framework developed by the Company’s management pursuant to and in compliance with the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations (“COSO”) of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, walkthroughs of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management has concluded that our internal control over financial reporting was not effective as of June 30, 2025, because management identified that i) inadequate identification, recording and reporting of stock based compensation, ii) ineffective review processes over period end financial disclosure and reporting, (iii) inadequate segregation of duties for transaction posting and processing, amounted to a material weakness in the Company’s internal control over financial reporting, and (iv) ineffective review controls, over the accounting for business combinations and related financial instruments.

The material weaknesses did not result in any identified misstatements to the consolidated financial statements and there were no changes to previously released financial results.

Management's Remediation Plan

In 2025, we have intents to add sufficient staff and oversight supervision controls to provide adequate accounting segregation. We believe these changes will remediate the underlying deficiencies as identified by us. The remediation efforts will include an ongoing review of the implementation of additional controls to ensure all risks have been addressed.

As a result of the material weaknesses discussed above or of others, we may experience negative impacts on our ability to accurately report our results of operation and financial condition in a timely manner. If we do identify a material weakness in our internal control over financial reporting and are unsuccessful in implementing or following a remediation plan, or fail to update our internal control over financial reporting as our business evolves or to integrate acquired businesses into our controls system, if additional material weaknesses are found in our internal controls in the future, or if our external auditors cannot attest to the effectiveness of our internal control over financial review, if applicable, we may not be able to timely or accurately report our financial condition, results of operations or cash flows or to maintain effective disclosure controls and procedures. If we are unable to report financial information in a timely and accurate manner or to maintain effective disclosure controls and procedures, we could be subject to, among other things, regulatory or enforcement actions by the SEC, an inability for us to be accepted for listing on any national securities exchange in the near future, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business prospects and the market value of our common stock. Further, there are inherent limitations to the effectiveness of any system of controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. We could face additional litigation exposure and a greater likelihood of an SEC enforcement or other regulatory action if further restatements were to occur or other accounting-related problems emerge.

The weaknesses will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

Except for the identification of the material weakness related the ineffective review controls, over the accounting for business combinations and related financial instruments as discussed above, there has been no change in our internal control over financial reporting identified in connection with the evaluation referred to above that occurred during our last completed fiscal quarter that has materially negatively affected, or is reasonably likely to materially affect, our internal control over financial reporting. As discussed above, management intends to implement remediation plans in 2025.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We may be subject at times to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its financial position, results of operations or liquidity.

"Item 1 - Legal Proceedings" of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, as filed on May 19, 2025 (the "March 2025 10-Q"), include a discussion of our legal proceedings. During the fiscal quarter ended June 30, 2025, there have been no material changes from the legal proceedings discussed in the March 2025 10-Q.

ITEM 1A. RISK FACTORS

In addition to the other information contained elsewhere in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors discussed in Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K filed with the SEC on April 15, 2025, as well as the risk factors set forth in our Current Report on Form 8-K/A filed with the SEC on July 21, 2025 and in our Definitive Proxy Statement on Schedule 14A filed with the SEC on August 4, 2025.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

During the three months ended June 30, 2025, the Company issued the following shares of its common stock in transactions not registered under the Securities Act of 1933, as amended (the “Securities Act”):

- **April 1, 2025:** Issued 4,167 shares of common stock to an employee upon vesting of RSUs.
- **April 24, 2025:** Issued 2,750,000 shares of common stock to consultants for services rendered, valued at \$1,963,800, including 1,000,000 shares issued to settle \$493,800 of accrued liabilities.
- **May 1, 2025:** Issued 50,000 shares of common stock to consultant for services rendered, valued at \$61,000.
- **May 2, 2025:** Issued 62,796 shares of common stock upon cashless exercise of warrants to purchase 85,587 shares at an exercise price of \$0.30 per share.
- **May 2, 2025:** Received and cancelled 158,096 and 114,303 shares of common stock from the Company’s former CEO, Kenneth Londoner, and his entity, Endicott Management Partners LLC, pursuant to an agreement dated April 25, 2025.
- **May 9, 2025:** Issued 30,000 shares of common stock to an employee upon vesting of RSUs.
- **May 22, 2025:** Issued 93,790 shares of common stock upon cashless exercise of warrants to purchase 150,000 shares at an exercise price of \$1.78 per share.
- **May 28, 2025:** Issued 77 shares of common stock upon cashless exercise of warrants to purchase 451 shares at an exercise price of \$4.929 per share.
- **May 28, 2025:** Issued 1,062,500 shares of common stock to the Company’s former CEO, Anthony Amato, upon vesting of RSUs granted on September 11, 2024, with a fair value of \$475,894.
- **June 3, 2025:** Issued 524 shares of common stock upon cashless exercise of warrants to purchase 1,892 shares at an exercise price of \$4.6626 per share.
- **June 9, 2025:** Issued 286,238 shares of common stock upon cashless exercise of warrants to purchase 373,561 shares at an exercise price of \$1.78 per share.
- **June 10, 2025:** Issued 198 shares of common stock upon cashless exercise of warrants to purchase 901 shares at an exercise price of \$4.929 per share.
- **June 11, 2025:** Issued 375,017 shares of common stock upon cashless exercise of warrants to purchase 699,692 shares at an exercise price of \$3.573 per share.
- **June 27, 2025:** Issued 187 shares of common stock upon cashless exercise of warrants to purchase 500 shares at an exercise price of \$5.1358 per share.

All of the above issuances were made in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Rule 506 of Regulation D, as applicable. These transactions did not involve any public offering, and the recipients represented their intent to acquire the securities for investment purposes only and not with a view to distribution.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
2.1	Share Purchase Agreement, dated as of May 23, 2025, by and among BioSig Technologies, Inc., Streamex Exchange Corporation, BST Sub ULC, 1540875 B.C. Ltd., the shareholders of Streamex Exchange Corporation, and 1540873 B.C. Ltd., as trustee (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
3.1	Form of Certificate of Designation of Special Voting Stock of BioSig Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.1	Form of Voting Agreement (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.2	Form of Exchange Rights Agreement (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.3	Form of Support Agreement (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.4	Form of First Amendment to the Executive Employment Agreement (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.5	Form of Letter Agreement (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed with the SEC on May 27, 2025)
10.6	Form of Finder Agreement (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on May 30, 2025)
10.7	First Amendment to Share Purchase Agreement, dated May 27, 2025, by and among BioSig Technologies, Inc., Streamex Exchange Corporation, BST Sub ULC and 1540875 B.C. Ltd. (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the SEC on May 30, 2025)
10.8*	Form of Secured Convertible Debenture
31.1*	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101 INS*	Inline XBRL Instance Document
101 SCH*	Inline XBRL Taxonomy Extension Schema Document
101 CAL*	Inline XBRL Taxonomy Calculation Linkbase Document
101 LAB*	Inline XBRL Taxonomy Labels Linkbase Document
101 PRE*	Inline XBRL Taxonomy Presentation Linkbase Document
101 DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BIOSIG TECHNOLOGIES, INC.

Date: August 15, 2025

By: /s/ Henry McPhie

Henry McPhie
Chief Executive Officer (Principal Executive Officer)

Date: August 15, 2025

By: /s/ Ferdinand Groenewald

Ferdinand Groenewald
Acting Chief Financial Officer (Principal Accounting Officer)

NEITHER THIS DEBENTURE NOR THE SECURITIES INTO WHICH THIS DEBENTURE IS CONVERTIBLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE. THESE SECURITIES HAVE BEEN SOLD IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

FOR PURPOSES OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), THIS DEBENTURE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT. THE HOLDER (AS DEFINED BELOW) MAY CONTACT [INSERT NAME OF APPROPRIATE REPRESENTATIVE OF THE COMPANY] AT [PHONE NUMBER], WHO WILL, NOT LATER THAN TEN DAYS AFTER THE DATE HEREOF, PROMPTLY MAKE AVAILABLE TO THE HOLDER, UPON REQUEST, THE FOLLOWING INFORMATION: (1) THE ISSUE PRICE AND ISSUE DATE OF THIS DEBENTURE, (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT OF THIS DEBENTURE, AND (3) THE YIELD TO MATURITY OF THIS DEBENTURE.

BIOSIG TECHNOLOGIES, INC.

FORM OF SECURED CONVERTIBLE DEBENTURE

Principal Amount: \$[●]
Debenture Issuance Date: [●], 2025
Debenture Number: BSGM-[●]

FOR VALUE RECEIVED, BioSig Technologies, Inc., an entity organized under the laws of the state of Delaware (the “Company”), hereby promises to pay to the order of YA II PN, Ltd., a Cayman Islands exempt limited company, or its registered assigns (the “Holder”) the amount set out above as the principal amount (as reduced or increased pursuant to the terms hereof pursuant to conversion or otherwise, the “Principal”) when due, whether upon the Maturity Date (as defined below), acceleration or otherwise (in each case in accordance with the terms hereof) and to pay interest (“Interest”) on any outstanding Principal at the applicable Interest Rate from the date set out above as the Debenture Issuance Date (the “Issuance Date”) until the same becomes due and payable, whether upon the Maturity Date or acceleration, conversion or otherwise (in each case in accordance with the terms hereof). This Secured Convertible Debenture (including all debentures issued in exchange, transfer or replacement hereof, this “Debenture”) was originally issued pursuant to the Secured Convertible Debenture Purchase Agreement, dated as of July 7, 2025, as it may be amended from time to time (the “Purchase Agreement”) between the Collateral Agent, the Company and the Holder. Certain capitalized terms used herein are defined in Section (15). All Obligations owed by the Company to the Holder under this Debenture and each other Transaction Document are guaranteed by the Guarantors pursuant to the Guaranty and secured by Liens on certain assets of the Company and the Guarantors pursuant to the Security Documents.

(1) GENERAL TERMS

(a) Maturity Date. On the Maturity Date, the Company shall pay to the Holder an amount representing all outstanding Principal in cash, accrued and unpaid Interest in the form determined by the Company pursuant to Section 1(b), and any other amounts outstanding pursuant to the terms of this Debenture. The “Maturity Date” shall be [●], 2027¹. Other than as specifically permitted by this Debenture, the Company may not prepay or redeem any portion of the outstanding Principal and accrued and unpaid Interest.

(b) Interest Rate and Payment of Interest. Interest shall accrue on the outstanding Principal balance hereof at an annual rate equal to 4.00% (“Interest Rate”), which Interest Rate shall increase to an annual rate of 18.00% upon the occurrence of an Event of Default (for so long as such event remains uncured). Interest shall be calculated based on a 365-day year and the actual number of days elapsed, to the extent permitted by applicable law. Interest shall accrue during the term of this Debenture and shall be due and payable on the Maturity Date, acceleration or conversion of the outstanding Principal. For the avoidance of doubt, Interest shall be payable, at the election of the Company, either (i) in cash or (ii) in kind by issuance of Conversion Shares upon conversion of this Debenture in accordance with the terms set forth herein.

(c) Optional Prepayment. The Company, at its option, shall have the right, but not the obligation, to pay (“Optional Prepayment”), prior to the Maturity Date, a portion of or all amounts outstanding under this Debenture; *provided* that (i) the Company must provide the Holder with at least ten (10) Trading Days’ prior written notice (each, a “Prepayment Notice”) of its desire to exercise an Optional Prepayment, and (ii) on the date the Prepayment Notice is issued, the VWAP is less than the Fixed Price (as defined herein). Each Prepayment Notice shall be irrevocable and shall specify the outstanding balance of the Debenture to be prepaid and the Prepayment Amount. The “Prepayment Amount” shall be equal to the outstanding Principal balance being prepaid by the Company, plus the Prepayment Premium (as defined below), plus all accrued and unpaid Interest. After receipt of the Prepayment Notice, the Holder shall have ten (10) Trading Days to elect to convert all or any portion of this Debenture. On the eleventh (11th) Trading Day after the Prepayment Notice, the Company shall deliver to the Holder the Prepayment Amount with respect to the Principal amount redeemed after giving effect to conversions or other payments effected during the ten (10) Trading Day period.

(d) Payment Dates. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

¹ NTD: 24 months from the issuance of the First Secured Convertible Debenture

(2) RESERVED.

(3) EVENTS OF DEFAULT.

(a) An “Event of Default”, wherever used herein, means any one of the following events (whatever the reason and whether it shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

(i) The Company’s or any Guarantor’s failure to pay to the Holder any amount of Principal after such payment is due, or any Interest, Prepayment Premium, or other amounts when and as due under this Debenture or any other Transaction Document and such failure continues for a period of five (5) Business Days;

(ii) (A) The Company or any Significant Subsidiary of the Company shall commence, or there shall be commenced against the Company or any Significant Subsidiary of the Company, any proceeding under any applicable bankruptcy or insolvency laws as now or hereafter in effect or any successor thereto, or the Company or any Significant Subsidiary of the Company commences, or there shall be commenced against the Company or any Significant Subsidiary of the Company, any other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation or similar law of any jurisdiction whether now or hereafter in effect, which remains undismissed for a period of sixty one (61) days; (B) the Company or any Significant Subsidiary of the Company is adjudicated insolvent or bankrupt; (C) any order of relief or other order approving any such case or proceeding is entered; (D) the Company or any Significant Subsidiary of the Company suffers any appointment of any custodian, private or court appointed receiver or the like for it or all or substantially all of its property which continues undischarged or unstayed for a period of sixty one (61) days; (E) the Company or any Significant Subsidiary of the Company makes a general assignment of all or substantially all of its assets for the benefit of creditors; (F) the Company or any Significant Subsidiary of the Company shall fail to pay, or shall state that it is unable to pay, or shall be unable to pay, its debts generally as they become due; (G) the Company or any Significant Subsidiary of the Company shall call a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; (H) the Company or any Significant Subsidiary of the Company shall by any act or failure to act expressly indicate its consent to, approval of or acquiescence in any of the foregoing; or (I) any corporate or other action is taken by the Company or any Significant Subsidiary of the Company for the purpose of effecting any of the foregoing;

(iii) The Company or any Significant Subsidiary of the Company shall default in any of its obligations under any note, debenture, or any mortgage, credit agreement or other facility, indenture agreement, factoring agreement or other instrument under which there may be issued, or by which there may be secured or evidenced, any indebtedness for borrowed money or money due under any long term leasing or factoring arrangement of the Company or any Significant Subsidiary of the Company in an amount exceeding \$1,000,000, whether such indebtedness now exists or shall hereafter be created and such default shall (A) result in such indebtedness becoming or being declared due and payable or (B) not be cured in accordance with the agreements governing such indebtedness within the time prescribed by such agreements, or if no time is prescribed within such agreements for the cure of such default, within ten (10) Trading Days;

(iv) a final judgment or judgments for the payment of money aggregating in excess of \$1,000,000 are rendered against the Company and/or any of its Subsidiaries and which judgments are not, within thirty (30) days after the entry thereof, bonded, discharged, settled or stayed pending appeal, or are not discharged within thirty (30) days after the expiration of such stay; provided, however, any judgment which is covered by insurance or an indemnity from a creditworthy party shall not be included in calculating the \$1,000,000 amount set forth above so long as the Company provides the Holder a written statement from such insurer or indemnity provider (which written statement shall be reasonably satisfactory to the Holder) to the effect that such judgment is covered by insurance or an indemnity and the Company or such Subsidiary (as the case may be) will receive the proceeds of such insurance or indemnity within thirty (30) days of the issuance of such judgment;

(v) The Common Shares shall cease to be quoted or listed for trading, as applicable, on any Principal Market for a period of ten (10) consecutive Trading Days;

(vi) The Company or any Subsidiary of the Company shall be a party to any Change of Control Transaction (as defined in Section (15));

(vii) The Company's (A) failure to deliver the required number of Common Shares to the Holder within one (1) Trading Day after the applicable Share Delivery Date or (B) written notice to any Holder, including by way of public announcement, at any time, of its intention not to comply with a request for conversion of any Debenture into Common Shares that is tendered in accordance with the provisions of the Debenture, other than pursuant to Section (4)(c);

(viii) The Company shall fail for any reason to deliver the payment in cash pursuant to a Buy-In (as defined herein) within five (5) Business Days after such payment is due;

(ix) The Company's (A) failure to timely file with the Commission any Periodic Report on or before the due date of such filing as established by the Commission, it being understood, for the avoidance of doubt, that such due date includes any permitted filing deadline extension under Rule 12b-25 under the Exchange Act, if such failure is not cured within five (5) Business Days, or (B) loss of Form S-3 eligibility;

(x) Any representation or warranty made or deemed to be made by or on behalf of the Company or any Guarantor in or in connection with any Transaction Document, or any waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Transaction Document, shall be untrue in any material respect when made or deemed made;

(xi) (A) Any provision of any Transaction Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect; (B) the Company or any other Person contests in writing the validity or enforceability of any provision of any Transaction Document; or (C) the Company or any Guarantor denies in writing that it has any or further liability or obligation under any Transaction Document, or purports in writing to revoke, terminate (other than in line with the relevant termination provisions) or rescind any Transaction Document;

(xii) The Company uses the proceeds of the issuance of this Debenture, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulations T, U and X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof), or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose;

(xiii) Any breach of any term of any other debenture, note, or instrument held by the Holder in the Company or any agreement between or among the Company and the Holder;

(xiv) A Registration Default occurs;

(xv) Any provision of any Security Document shall at any time for any reason (other than pursuant to the express terms thereof or (other than action or inaction on the part of the Holder, the Collateral Agent or any of their respective agents)) cease to be valid and binding on or enforceable against the Company, any Guarantor or any Subsidiary intended to be a party thereto, or the validity or enforceability thereof shall be contested by any party thereto or any other Person, or a proceeding shall be commenced by the Company, any Guarantor or any Subsidiary or any Governmental Entity having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or the Company, any Guarantor or any Subsidiary shall deny in writing that it has any liability or obligation purported to be created under any Security Document;

(xvi) Any Security Document shall for any reason fail or cease to create a valid and perfected and first priority Lien in favor of the Collateral Agent for the benefit of the holders of the Debentures or any of the other Secured Parties (as defined in the Purchase Agreement);

(xvii) The Company or any Guarantor shall fail to observe or perform any material covenant, agreement or warranty contained in, or otherwise commit any material breach or default of any provision of this Debenture (except as may be covered by Section (3)(a)(i) through (3)(a)(xvi) or by Section 3(a)(xviii) through 3(a)(xxi) hereof) or any other Transaction Document which is not cured or remedied within the time prescribed or if no time is prescribed within ten (10) Business Days;

(xviii) The Company shall have filed a registration statement on a Form S-3 or a Form S-1 or the Resale Registration Statement (as defined herein) to register for resale under the Securities Act the Common Shares issued to shareholders of Streamex Exchange Corporation pursuant to that certain Share Purchase Agreement by and between the Company, Streamex Exchange Corporation, BST Sub ULC, 1540875 B.C. Ltd., and 1540873 B.C. Ltd., dated May 23, 2025, prior to one hundred and eighty (180) days following the date of the special meeting of stockholders whereby the Company obtained the Debenture Stockholder Approval, the Exchange Stockholder Approval and the SEPA Stockholder Approval (as such terms are defined in the Purchase Agreement), except as permitted by Section 4(s) of the Purchase Agreement;

(xix) Any Control Agreement (as defined in the Purchase Agreement or in any Guaranty) ceases to be in full force and effect without the express prior written consent of Collateral Agent;

(xx) The Company files any registration statements on Form S-3, Form S-1, or otherwise prior to the Resale Registration Statement being declared effective by the Commission, except as permitted by Section 4(s) of the Purchase Agreement; or

(xxi) The occurrence of an "Event of Default" as defined in any Transaction Document.

(b) During the time that any portion of this Debenture is outstanding, if any Event of Default has occurred (other than an event with respect to the Company or Significant Subsidiary of the Company described in Section (3)(a)(ii)), the full unpaid Principal amount of this Debenture, together with accrued and unpaid interest and other amounts owing in respect thereof and other Obligations accrued hereunder and under the other Transaction Documents, to the date of acceleration, shall become at the Holder's election given by notice pursuant to Section (8), immediately due and payable in cash; provided that, in the case of any event with respect to the Company described in Section (3)(a)(ii), the full unpaid Principal amount of this Debenture, together with accrued and unpaid interest and other amounts owing in respect thereof and other Obligations accrued hereunder and under the other Transaction Documents, to the date of acceleration, shall automatically become due and payable, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Company. Furthermore, in addition to any other remedies, the Holder shall have the right (but not the obligation) to convert, at the Conversion Price, on one or more occasions all or part of the Conversion Amount in accordance with Section (4) and subject to the limitations in Section (4)(c) at any time after (x) an Event of Default or (y) the Maturity Date, provided that this Debenture remains outstanding, at the Conversion Price. The Holder need not provide and the Company hereby waives any presentment, demand, protest or other notice of any kind, (other than required notice of conversion) and the Holder may immediately enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such declaration may be rescinded and annulled by the Holder in writing at any time prior to payment hereunder. No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

(4) CONVERSION OF DEBENTURE. This Debenture shall be convertible into Common Shares, on the terms and conditions set forth in this Section (4).

(a) Conversion Rights.

(i) Optional Conversion Right of Holder. Subject to the limitations of Section (4)(c), at any time or times on or after the Issuance Date (each such date, the "Optional Conversion Date"), the Holder shall be entitled to convert any portion of the outstanding and unpaid Conversion Amount (as defined below) into fully paid and nonassessable Common Shares in accordance with Section (4)(b) (the "Optional Conversion"), at the Conversion Price (as defined below). The number of Common Shares issuable upon conversion of any Conversion Amount pursuant to this Section (4)(a)(i) shall be determined by dividing (x) such Conversion Amount by (y) the Conversion Price.

(ii) Mandatory Conversion Right of Company. Subject to limitations of Section 4(c), if at any time following the date that is six (6) months after the issuance of this Debenture, the daily VWAP for any twenty (20) Trading Days during a thirty (30) consecutive Trading Day period (the “Measurement Period”) exceeds one-hundred and thirty percent (130%) of the Conversion Price (the “Mandatory Conversion Trigger”), then, the Company shall be entitled to convert all of the outstanding and unpaid Conversion Amount into fully paid and nonassessable Common Shares in accordance with the applicable provisions of Section 4(b) (the “Mandatory Conversion”). The number of Common Shares issuable upon conversion of any Conversion Amount pursuant to this Section (4)(a)(ii) shall be determined by dividing (x) such Conversion Amount by (y) the Conversion Price.

(iii) “Conversion Amount” means (i) with respect to the Optional Conversion, the portion of the Principal and accrued Interest to be converted, redeemed or otherwise with respect to which this determination is being made, or (ii) with respect to the Mandatory Conversion, the entire Principal and accrued Interest.

(iv) “Conversion Price” means, the lower of (i) \$[●]² per Common Share (the “Fixed Price”), subject to a one-time, downward only reset equal to one hundred twenty-five percent (125%) of the average of the daily VWAP for the Common Shares during the five (5) consecutive Trading Days ending on and including the thirtieth (30th) Trading Day following the date of effectiveness of the registration statement registering for resale the Conversion Shares (the “Resale Registration Statement”); and (ii) 97.0% of the lowest daily VWAP for the Common Shares during the three (3) Trading Days immediately preceding the applicable Conversion Date or other date of determination (the “Market Price”), subject to the Floor Price. The Fixed Price shall be adjusted from time to time pursuant to the other terms and conditions of this Debenture.

² NTD: To equal 125% of the VWAP of the Common Stock on the day prior to the first closing of the Secured Convertible Debenture.

(b) Mechanics of Conversion.

(i) Conversion.

(1) In case of an Optional Conversion, to convert any Conversion Amount into Common Shares on the applicable Optional Conversion Date, the Holder shall (A) transmit by email (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York time, on such date, a copy of an executed notice of conversion in the form attached hereto as Exhibit I (the “Optional Conversion Notice”) to the Company and (B) if required by Section (4)(b)(iii), surrender this Debenture to a nationally recognized overnight delivery service for delivery to the Company (or an indemnification undertaking reasonably satisfactory to the Company with respect to this Debenture in the case of its loss, theft or destruction). In case of the Mandatory Conversion, the Company shall by email (or otherwise deliver), for receipt on or prior to 11:59 p.m., New York time, the first (1st) Trading Day following the date on which the Mandatory Conversion Trigger occurred (the “Mandatory Conversion Date”), a copy of an executed notice of conversion in the form attached hereto as Exhibit II (the “Mandatory Conversion Notice”) to the Holder, and the Holder shall by email, for receipt on or prior to 11:59 p.m., New York time, the first (1st) Trading Day following the Mandatory Conversion Date, a confirmation of receipt of the Mandatory Conversion Notice in the form attached hereto as Exhibit II to the Company (the “Mandatory Conversion Confirmation”). On or before the first (1st) Trading Day following the date of receipt of an Optional Conversion Notice or the Mandatory Conversion Confirmation (or such earlier date as required pursuant to the Exchange Act or other applicable law, rule or regulation for the settlement of a trade initiated on the applicable Conversion Date of such Common Shares issuable pursuant to such Conversion Notice) (the “Share Delivery Date”), the Company shall (X) if legends are not required to be placed on certificates or the book-entry position of the Common Shares and provided that the Company’s transfer agent is participating in the Depository Trust Company’s (“DTC”) Fast Automated Securities Transfer Program, instruct such transfer agent to credit such aggregate number of Common Shares to which the Holder shall be entitled to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system or (Y) if the Company’s transfer agent is not participating in the DTC Fast Automated Securities Transfer Program, or if restrictive legends are required to be placed on certificates or book-entry positions of the Common Shares, issue and deliver to the address as specified by the Holder, a certificate or book-entry position, registered in the name of the Holder or its designee, for the number of Common Shares to which the Holder shall be entitled. If this Debenture is physically surrendered for conversion and the outstanding Principal of this Debenture is greater than the Principal portion of the Conversion Amount being converted, then the Company shall as soon as practicable and in no event later than three (3) Business Days after receipt of this Debenture and at its own expense, issue and deliver to the Holder a new Debenture representing the outstanding Principal not converted. The Person or Persons entitled to receive the Common Shares issuable upon a conversion of this Debenture shall be treated for all purposes as the record holder or holders of such Common Shares upon the transmission of a Conversion Notice.

(2) Notwithstanding the foregoing Section (4)(b)(i)(1), but subject to Section (4)(c)(iii)(2), prior to the Holder submitting any Conversion Notice at a Conversion Price equal to the Market Price (each such conversion, a “Market Price Conversion”), the Holder shall submit a notice in the form attached hereto as Exhibit III to the Company (a “Market Price Conversion Notice”) no earlier than twenty (20) Business Days and no less than five (5) Business Days prior to the first calendar day of any Calendar Month during which the Holder intends to submit Market Price Conversions. Upon receipt of a Market Price Conversion Notice, the Company shall permit the Holder to submit Market Price Conversions during such Calendar Month in accordance with the maximum aggregate amount of such Market Price Conversions set forth therein and in accordance with Section (4)(c)(iii)(1). For the avoidance of doubt and without implication that the opposite would otherwise be true, the Holder shall not be required to convert any portion of this Debenture at any time, including, but not limited to, following its submission of a Market Price Conversion Notice. Any and all conversions of this Debenture shall be at the sole discretion of the Holder.

(ii) Company's Failure to Timely Convert. If the Company shall fail, for any reason or for no reason, on or prior to the applicable Share Delivery Date to issue and deliver a certificate to the Holder or credit the Holder's balance account with DTC for the number of Common Shares to which the Holder is entitled upon such Holder's conversion of any Conversion Amount (a "Conversion Failure"), and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) Common Shares to deliver in satisfaction of a sale by the Holder of Common Shares issuable upon such conversion that the Holder anticipated receiving from the Company (a "Buy-In"), then the Company shall, within three (3) Business Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other out of pocket expenses, if any) for the Common Shares so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such Common Shares) shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Common Shares and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of Common Shares *multiplied by* (B) the Closing Price on the Conversion Date.

(iii) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of any portion of this Debenture in accordance with the terms hereof, the Holder shall not be required to physically surrender this Debenture to the Company unless (A) the full Conversion Amount represented by this Debenture is being converted or (B) the Holder has provided the Company with prior written notice (which notice may be included in a Conversion Notice) requesting reissuance of this Debenture upon physical surrender of this Debenture. The Holder and the Company shall maintain records showing the Principal and Interest converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Company, so as not to require physical surrender of this Debenture upon any partial conversion.

(iv) Fractional Shares, Taxes. The Company shall not issue any fraction of a Common Shares upon any conversion. All calculations under this Section (4) shall be rounded to the nearest \$0.0001. If the issuance would result in the issuance of a fraction of a Common Shares, the Company shall round such fraction of a Common Shares up to the nearest whole share. The Company shall pay any and all transfer, stamp and similar taxes that may be payable with respect to the issuance and delivery of Common Shares upon conversion of any Conversion Amount.

(c) Limitations on Conversions.

(i) Beneficial Ownership. The Holder shall not have the right to convert any portion of this Debenture to the extent that after giving effect to such conversion, the Holder, together with any Affiliate thereof, would beneficially own (as determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder) in excess of 4.99% of the number of Common Shares outstanding immediately after giving effect to such conversion. The Holder shall have the authority and obligation to determine whether the restriction contained in this Section (4)(c)(i) will limit any particular conversion hereunder and to the extent that the Holder determines that the limitation contained in this Section (4)(c)(i) applies, the determination of which portion of the Principal amount of this Debenture is convertible shall be the responsibility and obligation of the Holder. The provisions of this Section (4)(c)(i) may be waived by a holder (but only as to itself and not to any other holder) upon not less than 65 days prior notice to the Company. Other holders shall be unaffected by any such waiver.

(ii) Principal Market Limitation. Notwithstanding anything in this Debenture to the contrary, the Company shall not issue any Common Shares pursuant to the terms of this Debenture if the issuance of such Common Shares would exceed the Exchange Cap (as such term is defined in the Purchase Agreement), except that such limitation shall not apply in the event that the Company (A) obtains the approval of its stockholders as required by the applicable rules of the Principal Market for issuances of Common Shares in excess of such amount or (B) obtains a written opinion from outside counsel to the Company that such approval is not required, which opinion shall be reasonably satisfactory to the Holder.

(d) Other Provisions.

(i) All calculations under this Section (4) shall be rounded to the nearest \$0.0001 or whole share.

(ii) The Company covenants that it will at all times reserve and keep available out of its authorized and unissued Common Shares such number of Common Shares not less than the maximum number of Common Shares issuable upon conversion of this Debenture (assuming for purposes hereof that (x) this Debenture is convertible at the Floor Price as of the date of determination and (y) any such conversion shall not take into account any limitations on the conversion of the Debenture set forth herein or therein (the "Required Reserve Amount")), provided that at no time shall the number of Common Shares reserved pursuant to this Section (4)(d) (ii) be reduced other than proportionally with respect to all Common Shares in connection with any conversion (other than pursuant to the conversion of this Debenture in accordance with its terms) and/or cancellation of this Debenture, or a reverse stock split undertaken by the Company. If at any time the number of Common Shares reserved pursuant to this Section (4)(d)(ii) becomes less than the Required Reserve Amount, the Company will promptly take all corporate action necessary to promptly propose at a meeting of its shareholders an increase of its authorized share capital necessary to meet the Company's obligations pursuant to this Debenture, and the Company's Board of Directors will recommend that the Company's shareholders vote in favor of such increase. The Company covenants that, upon issuance in accordance with conversion of this Debenture in accordance with its terms, the Common Shares, when issued, will be validly issued, fully paid and nonassessable.

(iii) Nothing herein shall limit a Holder's right to pursue actual damages or declare an Event of Default pursuant to Section (3) herein for the Company's failure to deliver Common Shares upon conversion in the manner and within the time period specified herein and such Holder shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief, in each case without the need to post a bond or provide other security. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(iv) Legal Opinions. The Company is obligated to cause its legal counsel to deliver legal opinions to the Company's transfer agent in connection with any legend removal upon the expiration of any holding period or other requirement for which the Underlying Shares may bear legends restricting the transfer thereof (i) following any sale of such Underlying Shares pursuant to Rule 144, (ii) if such Underlying Shares are eligible for sale and about to be sold under Rule 144, (iii) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission); provided, however, that such Holder has delivered such reasonably requested representations to such transfer agent, the Company and the Company's legal counsel in connection with the request for such opinion, or (iv) if such legal opinion is requested by the Company's transfer agent in order to deliver such shares free from restrictive legend. To the extent such opinions are not provided (either timely or at all), then the Company agrees to reimburse the Holder for all reasonable costs incurred by the Holder in connection with any legal opinions paid for by the Holder in connection with sale or transfer of Underlying Shares. The Holder shall notify the Company of any such costs and expenses it incurs that are referred to in this Section 4(d)(iv) from time to time and all amounts owed hereunder shall be paid by the Company with reasonable promptness.

(v) The Company hereby expressly acknowledges and agrees that (i) the Purchase Agreement and all Transaction Documents to which it is a party are ratified and confirmed and shall remain in full force and effect, (ii) it has no set off, counterclaim, defense or other claim or dispute with respect to any Transaction Document, (iii) notwithstanding anything to the contrary in any Transaction Document, the term "Obligations" as used and defined in any Security Document shall include all Obligations under this Debenture and the other Transaction Documents, and (iv) all Obligations under this Debenture are duly secured by the Security Documents.

(5) ADJUSTMENTS TO CONVERSION PRICE

(a) Adjustment of Fixed Price and Floor Price in Certain Circumstances. If the Company, at any time while this Debenture is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on its Common Shares or any other equity or equity equivalent securities payable in Common Shares, (b) subdivide outstanding Common Shares into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding Common Shares into a smaller number of shares, or (d) issue by reclassification of shares of the Common Shares any shares of capital stock of the Company, then each of the Fixed Price and the Floor Price shall be multiplied by a fraction of which the numerator shall be the number of Common Shares (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of Common Shares outstanding after such event. Any adjustment made pursuant to this Section (5)(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

(b) Adjustment of Fixed Price upon Issuance of Common Shares. If the Company, at any time while this Debenture is outstanding, issues or sells any Common Shares or Convertible Securities (other than shares issued or sold by the Company in connection with any Excluded Securities), for a consideration per share (plus any related underwriting spread or placement agent fee paid to an underwriter or placement agent in connection with such issuance or sale) (the “New Issuance Price”) less than a price equal to the Fixed Price in effect immediately prior to such issue or sale (such price the “Applicable Price”) (the foregoing a “Dilutive Issuance”), then immediately after such Dilutive Issuance the Fixed Price then in effect shall be reduced to an amount equal to the New Issuance Price. For the purposes hereof, if the Company in any manner issues or sells any Convertible Securities (other than shares issued or sold by the Company in connection with any Excluded Securities) and the lowest price per share for which one Common Share is issuable upon such conversion or exchange or exercise thereof is less than the Applicable Price (without giving effect to any “make-whole” shares issuable in connection with a fundamental change, change of control, delisting or liquidation or dissolution or a redemption (in each case, however so defined)), then such Common Shares shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the issuance or sale of such Convertible Securities for such price per share. No further adjustment of the Fixed Price shall be made upon the actual issuance of such Common Shares upon conversion or exchange or exercise of such Convertible Securities.

(c) Other Events. If any event occurs of the type contemplated by the provisions of this Section (5)(a) or (b) but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features, or issuing Convertible Securities with a variable conversion formula that is more favorable than this Debenture), then the Company’s Board of Directors will make an appropriate adjustment in the Fixed Price so as to protect the rights of the Holder under this Debenture; provided that no such adjustment will increase the Fixed Price as otherwise determined pursuant to this Section (5). If the Company issues any Convertible Securities with a variable conversion formula that is more favorable than this Debenture, then at the option of the Holder, the Market Price formula shall be changed to match that of the new Convertible Securities (it being understood that a customary “make-whole” provision for conversions in connection with certain change of control transactions, delisting events or the approval of a liquidation or dissolution or redemptions does not constitute a variable conversion formula).

(d) Other Corporate Events. In addition to and not in substitution for any other rights hereunder, prior to the consummation of any Fundamental Transaction pursuant to which holders of Common Shares are entitled to receive securities or other assets with respect to or in exchange for Common Shares (a “Corporate Event”), the Company shall make appropriate provision to ensure that the Holder will thereafter have the right to receive upon a conversion of this Debenture, at the Holder’s option, (i) in addition to the Common Shares receivable upon such conversion, such securities or other assets to which the Holder would have been entitled with respect to such Common Shares had such Common Shares been held by the Holder upon the consummation of such Corporate Event (without taking into account any limitations or restrictions on the convertibility of this Debenture) or (ii) in lieu of the Common Shares otherwise receivable upon such conversion, such securities or other assets received by the holders of Common Shares in connection with the consummation of such Corporate Event in such amounts as the Holder would have been entitled to receive had this Debenture initially been issued with conversion rights for the form of such consideration (as opposed to Common Shares) at a conversion rate for such consideration commensurate with the Conversion Price. Provision made pursuant to the preceding sentence shall be in a form and substance satisfactory to the Holder. The provisions of this Section (5)(d) shall apply similarly and equally to successive Corporate Events and shall be applied without regard to any limitations on the conversion of this Debenture.

(e) Whenever the Fixed Price, Market Price formula or Floor Price is adjusted pursuant to this Section (5), the Company shall promptly provide the Holder with a written notice setting forth the Fixed Price, Market Price formula or Floor Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(f) In case of any (1) merger or consolidation of the Company or any Subsidiary of the Company with or into another Person, or (2) sale by the Company or any Subsidiary of the Company of more than one-half of the assets of the Company or such Subsidiary in one or a series of related transactions, a Holder shall have the right to (A) exercise any rights under any other provision of this Section (5), if applicable, (B) convert the aggregate amount of this Debenture then outstanding into the shares of stock and other securities, cash and property receivable upon or deemed to be held by holders of Common Shares following such merger, consolidation or sale, and such Holder shall be entitled upon such event or series of related events to receive such amount of securities, cash and property as the Common Shares into which such aggregate Principal amount of this Debenture could have been converted immediately prior to such merger, consolidation or sales would have been entitled, or (C) in the case of a merger or consolidation, require the surviving entity to issue to the Holder a convertible debenture with a Principal amount equal to the aggregate Principal amount of this Debenture then held by such Holder, plus all accrued and unpaid Interest and other amounts owing thereon, which such newly issued convertible debenture shall have terms identical (including with respect to conversion) to the terms of this Debenture, and shall be entitled to all of the rights and privileges of the Holder of this Debenture set forth herein and the agreements pursuant to which this Debenture was issued. In the case of clause (C), the conversion price applicable for the newly issued convertible debentures shall be based upon the amount of securities, cash and property that each Common Shares would receive in such transaction and the Conversion Price in effect immediately prior to the effectiveness or closing date for such transaction. The terms of any such merger, sale or consolidation shall include such terms so as to continue to give the Holder the right to receive the securities, cash and property set forth in this Section (5)(f) upon any conversion following such event. This provision shall similarly apply to successive such events.

(6) INDEMNIFICATION. With respect to the Company's obligations under this Debenture and the other Transaction Documents:

(a) To the fullest extent permitted by law, the Company shall, and hereby does, indemnify, hold harmless and defend the Holder, its investment manager and their respective directors, officers, partners, employees, agents, representatives, and successors and assigns of, and each Person, if any, who controls Holder within the meaning of the Securities Act or the Exchange Act (each, an "Indemnified Person"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several (collectively, "Claims") incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the Commission, whether pending or threatened, whether or not an Indemnified Person is or may be a party thereto ("Indemnified Damages"), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in any filing made in any public filing (including, without limitation, any Periodic Reports) made by the Company with the Commission, or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading; or (ii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other law, including, without limitation, any state securities law (the matters in the foregoing clauses (i) through (iii) being, collectively, "Violations"). The Company shall reimburse the Indemnified Persons and each such controlling person promptly as such expenses are incurred and are due and payable, for any legal fees or disbursements or other reasonable expenses incurred by them in connection with investigating or defending any such Claim.

(b) Promptly after receipt by an Indemnified Person under this Section (6) of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section (6), deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person; provided, however, that an Indemnified Person shall have the right to retain its own counsel with the fees and expenses of not more than one (1) counsel for such Indemnified Person to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the indemnifying party, the representation by such counsel of the Indemnified Person and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person and any other party represented by such counsel in such proceeding. The Indemnified Person shall cooperate fully with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Person which relates to such action or claim. The indemnifying party shall keep the Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent; provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Person of a release from all liability in respect to such claim or litigation. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person under this Section (6), except solely to the extent that the indemnifying party is actually prejudiced in its ability to defend such action.

(c) The indemnification required by this Section (6) shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or Indemnified Damages are incurred.

(d) The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

(7) REISSUANCE OF THIS DEBENTURE.

(a) Transfer. If this Debenture is to be transferred, the Holder shall surrender this Debenture to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Debenture (in accordance with Section (7)(d)), registered in the name of the registered transferee or assignee, representing the outstanding Principal being transferred by the Holder (along with any accrued and unpaid Interest thereof) and, if less than the entire outstanding Principal is being transferred, a new Debenture (in accordance with Section (7)(d)) to the Holder representing the outstanding Principal not being transferred. The Holder and any assignee, by acceptance of this Debenture, acknowledge and agree that, by reason of the provisions of Section (4)(b)(iii) following conversion of any portion of this Debenture, the outstanding Principal represented by this Debenture may be less than the Principal stated on the face of this Debenture.

(b) Lost, Stolen or Mutilated Debenture. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Debenture, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Debenture, the Company shall execute and deliver to the Holder a new Debenture (in accordance with Section (7)(d)) representing the outstanding Principal.

(c) Debenture Exchangeable for Different Denominations. This Debenture is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Debenture or Debentures (in accordance with Section (7)(d)) representing in the aggregate the outstanding Principal of this Debenture, and each such new Debenture will represent such portion of such outstanding Principal as is designated by the Holder at the time of such surrender.

(d) Issuance of New Debentures. Whenever the Company is required to issue a new Debenture pursuant to the terms of this Debenture, such new Debenture (i) shall be of like tenor with this Debenture, (ii) shall represent, as indicated on the face of such new Debenture, the Principal remaining outstanding (or in the case of a new Debenture being issued pursuant to Section (7)(a) or Section (7)(c), the Principal designated by the Holder which, when added to the Principal represented by the other new Debentures issued in connection with such issuance, does not exceed the Principal remaining outstanding under this Debenture immediately prior to such issuance of new Debentures), (iii) shall have an issuance date, as indicated on the face of such new Debenture, which is the same as the Issuance Date of this Debenture, (iv) shall have the same rights and conditions as this Debenture, and (v) shall represent accrued and unpaid Interest from the Issuance Date.

(8) NOTICES. Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing by letter and email and will be deemed to have been delivered: upon the later of (A) either (i) receipt, when delivered personally or (ii) one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same and (B) receipt, when sent by electronic mail. The addresses and e-mail addresses for such communications shall be as set forth in the Purchase Agreement. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) electronically generated by the sender's email service provider containing the time, date, recipient email address or (iii) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) in this Section (8), respectively.

(9) NO IMPAIRMENT. Except as expressly provided herein, no provision of this Debenture shall alter or impair the obligations of the Company, which are absolute and unconditional, to pay the Principal of, Interest and other charges (if any) on, this Debenture at the time, place, and rate, and in the currency, herein prescribed. This Debenture is a direct obligation of the Company. As long as this Debenture is outstanding, the Company shall not and shall cause their subsidiaries not to, without the consent of the Holder, (i) amend its certificate of incorporation, bylaws or other charter documents so as to adversely affect any rights of the Holder; (ii) repay, repurchase or offer to repay, repurchase or otherwise acquire Common Shares or other equity securities; (iii) enter into any agreement with respect to any of the foregoing; or (iv) enter into any agreement, arrangement or transaction in or of which the terms thereof would restrict, materially delay, conflict with or impair the ability of the Company to perform its obligations under the this Debenture, including, without limitation, the obligation of the Company to make cash payments hereunder.

(10) This Debenture shall not entitle the Holder to any of the rights of a stockholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Company, unless and to the extent converted into Common Shares in accordance with the terms hereof.

(11) CHOICE OF LAW; VENUE; WAIVER OF JURY TRIAL

(a) Governing Law. This Debenture and the rights and obligations of the parties hereunder shall, in all respects, be governed by, and construed in accordance with, the laws (excluding the principles of conflict of laws) of the State of New York (the "Governing Jurisdiction") (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), including all matters of construction, validity and performance.

(b) Jurisdiction; Venue; Service.

(i) The Company hereby irrevocably consents to the non-exclusive personal jurisdiction of the state courts of the Governing Jurisdiction and, if a basis for federal jurisdiction exists, the non-exclusive personal jurisdiction of any United States District Court for the Governing Jurisdiction.

(ii) The Company agrees that venue shall be proper in any court of the Governing Jurisdiction selected by the Holder or, if a basis for federal jurisdiction exists, in any United States District Court in the Governing Jurisdiction. The Company waives any right to object to the maintenance of any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, in any of the state or federal courts of the Governing Jurisdiction on the basis of improper venue or inconvenience of forum.

(iii) Any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or tort or otherwise, brought by the Company against the Holder arising out of or based upon this Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, shall be brought in a court only in the Governing Jurisdiction. The Company shall not file any counterclaim against the Holder in any suit, claim, action, litigation or proceeding brought by the Holder against the Company in a jurisdiction outside of the Governing Jurisdiction unless under the rules of the court in which the Holder brought such suit, claim, action, litigation or proceeding the counterclaim is mandatory, and not permissive, and would be considered waived unless filed as a counterclaim in the suit, claim, action, litigation or proceeding instituted by the Holder against the Company. The Company agrees that any forum outside the Governing Jurisdiction is an inconvenient forum and that any suit, claim, action, litigation or proceeding brought by the Company against the Holder in any court outside the Governing Jurisdiction should be dismissed or transferred to a court located in the Governing Jurisdiction. Furthermore, the Company irrevocably and unconditionally agrees that it will not bring or commence any suit, claim, action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Holder arising out of or based upon this Debenture or any matter relating to this Debenture, or any other Transaction Document, or any contemplated transaction, in any forum other than the courts of the State of New York sitting in New York County, and the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such suit, claim, action, litigation or proceeding may be heard and determined in such New York State Court or, to the fullest extent permitted by applicable law, in such federal court. The Company and the Holder agree that a final judgment in any such suit, claim, action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(iv) The Company and the Holder irrevocably consent to the service of process out of any of the aforementioned courts in any such suit, claim, action, litigation or proceeding by the mailing of copies thereof by registered or certified mail postage prepaid, to it at the address provided for notices in this Debenture, such service to become effective thirty (30) days after the date of mailing.

(v) Nothing herein shall affect the right of the Holder to serve process in any other manner permitted by law or to commence legal proceedings or to otherwise proceed against the Company or any other Person in the Governing Jurisdiction or in any other jurisdiction.

(c) THE PARTIES MUTUALLY WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS OF ANY KIND ARISING OUT OF OR BASED UPON THIS DEBENTURE OR ANY MATTER RELATING TO THIS DEBENTURE, OR ANY OTHER TRANSACTION DOCUMENT, OR ANY CONTEMPLATED TRANSACTION. THE PARTIES ACKNOWLEDGE THAT THIS IS A WAIVER OF A LEGAL RIGHT AND THAT THE PARTIES EACH MAKE THIS WAIVER VOLUNTARILY AND KNOWINGLY AFTER CONSULTATION WITH COUNSEL OF THEIR RESPECTIVE CHOICE. THE PARTIES AGREE THAT ALL SUCH CLAIMS SHALL BE TRIED BEFORE A JUDGE OF A COURT HAVING JURISDICTION, WITHOUT A JURY.

(12) If the Company fails to strictly comply with the terms of this Debenture, then the Company shall reimburse the Holder promptly for all fees, costs and expenses, including, without limitation, attorneys' fees and expenses incurred by the Holder in any action in connection with this Debenture, including, without limitation, those incurred: (i) during any workout, attempted workout, and/or in connection with the rendering of legal advice as to the Holder's rights, remedies and obligations, (ii) collecting any sums which become due to the Holder, (iii) defending or prosecuting any proceeding or any counterclaim to any proceeding or appeal; or (iv) the protection, preservation or enforcement of any rights or remedies of the Holder.

(13) Any waiver by the Holder of a breach of any provision of this Debenture shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Debenture. The failure of the Holder to insist upon strict adherence to any term of this Debenture on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Debenture. Any waiver must be in writing.

(14) If any provision of this Debenture is invalid, illegal or unenforceable, the balance of this Debenture shall remain in effect, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. If it shall be found that any Interest or other amount deemed Interest due hereunder shall violate applicable laws governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum permitted rate of interest. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the Principal of or Interest on this Debenture as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Debenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impeded the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

(15) CERTAIN DEFINITIONS. For purposes of this Debenture, the following terms shall have the following meanings:

(a) "Applicable Price" shall have the meaning set forth in Section (5)(b).

(b) "Affiliate" means, as applied to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with, that Person and shall include any Person that directly or indirectly owns 10% or more of any class of capital stock of the Person specified.

(c) “Bloomberg” means Bloomberg Financial Markets (or if not available, a similar service provider of national recognized standing).

(d) “Business Day” means any day except Saturday, Sunday and any day which shall be a federal legal holiday in the United States or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

(e) “Buy-In” shall have the meaning set forth in Section (4)(b)(ii).

(f) “Buy-In Price” shall have the meaning set forth in Section (4)(b)(ii).

(g) “Calendar Month” means one of the twelve months of the year.

(h) “Change of Control Transaction” means the occurrence of (a) an acquisition after the date hereof by an individual or legal entity or “group” (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of fifty percent (50%) of the voting securities of the Company (except that the acquisition of voting securities by the Holder shall not constitute a Change of Control Transaction for purposes hereof), (b) any transaction or event (whether by means of (A) a share exchange or tender offer applicable to the Common Shares, (B) a liquidation, consolidation, recapitalization, reclassification, combination or merger of the Company or (C) a sale, lease or other transfer of all or substantially all of the consolidated assets of the Company) or a series of related transactions or related events pursuant to which all or a portion of the outstanding Common Shares of the Company are exchanged for, converted into or constitute solely the right to receive cash, securities or other property, and after giving effect to such transaction or event, the Persons who held such Common Shares immediately prior to such transaction or event cease to hold a majority of the voting power of the acquirer or successor immediately following such transaction or event, (c) a consolidation or merger in which the Company is not the surviving entity and, after giving effect to such consolidation or merger, the Persons who held such Common Shares immediately prior to such consolidation or merger cease to hold a majority of the voting power of the acquirer or successor immediately following such consolidation or merger, (d) a sale, assignment, transfer, conveyance or other disposal of all or substantially all of the properties and/or other assets of the Company and its Subsidiaries on a consolidated basis, to another person or entity, or (e) the execution by the Company of an agreement to which the Company is a party or by which it is bound, providing for any of the events set forth above in subclauses (a) through (d), unless, in connection with the occurrence of any of the events, transactions or other actions described in the foregoing subclauses (a) through (e), all amounts due under this Note are paid in full or the Holder consents to such Change of Control Transaction. Notwithstanding the foregoing, a Change of Control Transaction shall not include the Merger (as defined in the Purchase Agreement) or any transactions effected in connection therewith.

(i) “Claims” shall have the meaning set forth in Section (6)(a).

(j) “Closing Price” means the price per share in the last reported trade of the Common Shares on a Principal Market or on the exchange which the Common Shares is then listed as quoted by Bloomberg.

(k) “Collateral Agent” shall have the meaning given such term in the Purchase Agreement.

(l) “Commission” means the Securities and Exchange Commission.

(m) “Common Shares” means the common stock, par value \$0.001, of the Company and stock of any other class into which such shares may hereafter be changed or reclassified.

(n) “Company” shall have the meaning set forth in the preamble of this Debenture.

(o) “Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

(p) “Control Agreement” has the meaning given such term in the Purchase Agreement.

(q) “Conversion Date” means, (i) with respect to the Optional Conversion, the Optional Conversion Date, or, (ii) with respect to a Mandatory Conversion, the Mandatory Conversion Date.

(r) “Conversion Failure” shall have the meaning set forth in Section (4)(b)(ii).

(s) “Conversion Notice” means, (i) with respect to the Optional Conversion, the Optional Conversion Notice, or, (ii) with respect to a Mandatory Conversion, the Mandatory Conversion Notice.

(t) “Convertible Securities” means any stock or securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for Common Shares.

(u) “Corporate Event” shall have the meaning set forth in Section (5)(d).

(v) “Debenture” shall have the meaning set forth in the preamble of this Debenture.

(w) “DTC” shall have the meaning set forth in Section (4)(b)(i).

(x) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(y) “Exchange Cap” shall have the meaning set forth in the Purchase Agreement.

(z) “Floor Price” means, with respect to the Market Price, shall mean \$1.8828 per Common Share.

(aa) “Fundamental Transaction” means any of the following: (1) the Company effects any merger or consolidation of the Company with or into another Person and the Company is the non-surviving company (other than a merger or consolidation with a wholly owned Subsidiary of the Company for the purpose of redomiciling the Company), (2) the Company effects any sale of all or substantially all of its or its Subsidiaries’ assets in one or a series of related transactions, (3) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Shares are permitted to tender or exchange their shares for other securities, cash or property, (4) the Company or any of its Subsidiaries effects a “spin-off,” “spin-out” or “split-off” transaction of all or a portion of its or their assets or (5) the Company effects any reclassification of the Common Shares or any compulsory share exchange pursuant to which the Common Shares are effectively converted into or exchanged for other securities, cash or property.

(bb) “Governing Jurisdiction” shall have the meaning set forth in Section (11)(a).

(cc) “Governmental Entity” shall have the meaning set forth the Purchase Agreement.

(dd) “Guarantors” means each of the Persons from time to time party to a Guaranty as a guarantor of any or all of the Obligations.

(ee) “Guaranty” individually or collectively, as the context requires, that certain Guaranty and Security Agreement (which, for the avoidance of doubt, is governed by the laws of the State of New York, except as otherwise expressly provided therein), dated on or about the Issuance Date, by and among the Collateral Agent, the Company, and certain of the Company’s Subsidiaries, that certain Canadian Guarantee and Security Agreement, dated on or about the Issuance Date, by and among the Collateral Agent, the Company, and certain of the Company’s Subsidiaries, and any and all other guarantees or guarantee and security agreements executed by the Company and/or any of the Company’s Subsidiaries and Collateral Agent, in each case together with any and all joinders thereto, supplements to the schedules thereof, and agreements, documents, and instruments delivered to Collateral Agent pursuant thereto, as each is amended, restated, amended and restated, replaced, supplemented or otherwise modified from time to time in accordance with its terms.

(ff) “Holder” shall have the meaning set forth in the preamble of this Debenture.

(gg) “Indemnified Damages” shall have the meaning set forth in Section (6)(a).

(hh) “Indemnified Person” shall have the meaning set forth in Section (6)(a).

(ii) “Issuance Date” shall have the meaning set forth in the preamble of this Debenture.

(jj) “Interest Rate” shall have the meaning set forth in Section (1)(b).

(kk) “Lien” shall have the meaning set forth in the Purchase Agreement.

(ll) “Material Adverse Effect” has the meaning given such term in the Purchase Agreement.

(mm) “Maturity Date” shall have the meaning set forth in Section (1)(a).

(nn) “Obligations” means all of the Company’s and each Guarantor’s now existing and hereafter created or arising obligations, indebtedness and liabilities of any kind (whether primary or secondary, conditional or unconditional, contingent or noncontingent, joint or several) owed to the Holder, whether existing, created, incurred or arising in the Company’s or such Guarantor’s capacity as a borrower, guarantor, indemnitor, customer, purchaser, lessee, licensee, applicant, counterparty, debtor or other obligor, including (a) any loan amount, principal, interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), fee, charge, indemnification obligation, reimbursement obligation, royalty, premium, cost, expense, price, rent or other amount owed by the Company or such Guarantor to the Holder at any time, including future advances, protective advances and other financial accommodations, (b) any obligations, indebtedness or liabilities of the Company and the Guarantors to the Holder under any Transaction Document at any time, and (c) any of the foregoing that may have been, or that may be, acquired by the Holder from any third party, the Company or any Guarantor at any time.

(oo) “Options” means any rights, warrants or options to subscribe for or purchase Common Shares or Convertible Securities.

(pp) “Perfection Certificate” has the meaning given such term in the Purchase Agreement.

(qq) “Periodic Reports” shall mean all of the Company’s reports required to be filed by the Company with the Commission under applicable laws and regulations (including, without limitation, Regulation S-K), including annual reports (on Form 10-K), quarterly reports (on Form 10-Q), and current reports (on Form 8-K), for so long as any amounts are outstanding under this Debenture; *provided* that all such Periodic Reports shall include, when filed, all information, financial statements, audit reports (when applicable) and other information required to be included in such Periodic Reports in compliance with all applicable laws and regulations.

(rr) “Person” means a corporation, a limited liability company, an association, a partnership, organization, a business, an individual, a government or political subdivision thereof or a governmental agency.

(ss) “Prepayment Premium” means ten percent (10%) of the Principal amount being paid.

(tt) “Principal” shall have the meaning set forth in the preamble of this Debenture.

(uu) “Principal Market” means the Nasdaq Capital Market; provided however, that in the event the Company’s Common Shares are ever listed or traded on any of the New York Stock Exchange, the NYSE American, the Nasdaq Global Market, or the Nasdaq Global Select Market, or such successor thereto, the “Principal Market” shall mean that market on which the Common Shares are then listed or traded

(vv) “Purchase Agreement” shall have the meaning set forth in the preamble of this Debenture.

(ww) “Registration Deadline” means [●], 2025.³

(xx) “Registration Default” means any of the following: (i) a Resale Registration Statement is not filed and declared effective on or prior to the Registration Deadline, (ii) on any day after the Registration Deadline (subject to Allowable Grace Periods (as defined in the Registration Rights Agreement), sales of all of the Registrable Securities (as defined in the Registration Rights Agreement) required to be included on such Resale Registration Statement (after giving effect to any reduction for Cut Back Securities (as defined in the Registration Rights Agreement) cannot be made pursuant to such Resale Registration Statement (including, without limitation, because of a failure to keep such Resale Registration Statement effective, a failure to disclose such information as is necessary for sales to be made pursuant to such Resale Registration Statement, or by reason of a stop order) or the prospectus contained therein is not available for use for any reason (a “Maintenance Failure”), which Maintenance Failure is not cured within 10 Trading Days, or (iii) if after the date that is six months from the date hereof, the Company does not have available adequate current public information as set forth in Rule 144(c) of the Securities Act; provided, however, that the foregoing in clauses (i), (ii) or (iii) (each, a “Registration Default Event”) shall not constitute a Registration Default to the extent that, and only for so long as, such Registration Default Event is directly and solely caused by an event outside of the Company’s reasonable control, such as a government shutdown, Commission shutdown or other force majeure event.

(yy) “Registration Rights Agreement” shall have the meaning given such term in the Purchase Agreement.

(zz) “Required Reserve Amount” shall have the meaning set forth in Section (4)(d).

³ NTD: 100 days from issuance of the Debentures.

(aaa) “Resale Registration Statement” shall have the meaning set forth in Section (4)(a)(iv).

(bbb) “Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(ccc) “Security Documents” means, collectively, the Control Agreement (as defined in the Purchase Agreement), the Perfection Certificate, the Guaranty, each Control Agreement (as defined in any Guaranty), any other security agreements, pledge agreements or other similar agreements delivered to the Holder and/or to the Collateral Agent, and each of the other agreements, instruments or documents that creates (i) a Lien on any of the assets of the Company or any Guarantor in favor of the Collateral Agent to secure any or all of the Obligations (and potentially additional obligations of the Company and/or one or more of the Guarantors) or (ii) a guaranty or guarantee of any or all of the Obligations (and potentially additional obligations of the Company and/or one or more of the Guarantors) in favor of the Collateral Agent for the benefit of Holder and potentially other Persons, as each is amended, restated, amended and restated, replaced, supplemented or otherwise modified from time to time in accordance with its terms.

(ddd) “Share Delivery Date” shall have the meaning set forth in Section (4)(b)(i).

(eee) “Significant Subsidiary” of any Person means any Subsidiary of that Person that constitutes a “significant subsidiary” (as defined in Rule 1-02(w) of Regulation S-X under the Exchange Act) of that Person.

(fff) “Subsidiary” means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of capital stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, general partners or trustees thereof is at the time owned or controlled, directly or indirectly, by (i) such Person; (ii) such Person and one or more Subsidiaries of such Person; or (iii) one or more Subsidiaries of such Person.

(ggg) “Trading Day” means a day on which the Common Shares are quoted or traded on a Principal Market on which the Common Shares are then quoted or listed; provided, that in the event that the Common Shares are not listed or quoted, then Trading Day shall mean a Business Day.

(hhh) “Transaction Document” shall have the meaning given such term in the Purchase Agreement.

(iii) “Underlying Shares” means the Common Shares issuable upon conversion of this Debenture in accordance with the terms hereof.

(jjj) “Violations” shall have the meaning set forth in Section (6)(a).

(kkk) “VWAP” means, for any security as of any date, the daily dollar volume-weighted average price for such security on the Principal Market during regular trading hours as reported by Bloomberg through its “Historical Prices – Px Table with Average Daily Volume” function.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Secured Convertible Secured Debenture to be duly executed by a duly authorized officer as of the date set forth above.

COMPANY:

BIOSIG TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

EXHIBIT I
OPTIONAL CONVERSION NOTICE

(To be executed by the Holder in order to Convert the Secured Convertible Debenture pursuant to an Optional Conversion)

TO: BioSig Technologies, Inc.
Via Email:

The undersigned hereby irrevocably elects to convert a portion of the outstanding and unpaid Conversion Amount of Secured Convertible Debenture No. BSGM-[] into Common Shares of **BIOSIG TECHNOLOGIES, INC.**, according to the conditions stated therein, as of the Conversion Date written below. Capitalized terms not defined in this Optional Conversion Notice shall have the meaning set forth in the Debenture.

Conversion Date:
Principal Amount to be Converted:
Accrued Interest to be Converted:
Total Conversion Amount to be Converted:
Conversion Price:
Number of Common Shares to be Issued:

Please issue the Common Shares in the following name and deliver them to the following account:

Issue to:
Broker DTC Participant Code:
Account Number:

Authorized Signature:
Name:
Title:

EXHIBIT II
MANDATORY CONVERSION NOTICE

(To be executed by the Company and Holder in order to Convert the Secured Convertible Debenture pursuant to a Mandatory Conversion)

DATE: [] (the “Conversion Date”)
TO: [HOLDER NAME] (the “Holder”)
VIA EMAIL:

Pursuant to Section 4(a)(ii) of the Secured Convertible Debenture No. BSGM-[] (the “Debenture”), **BIOSIG TECHNOLOGIES, INC.** (the “Company”) hereby provides the Holder the Mandatory Conversion Notice that the Mandatory Conversion Trigger has occurred. The Company hereby irrevocably elects to convert all outstanding and unpaid Conversion Amount of the Debenture into Common Shares of the Company, according to the conditions stated therein, as of the date of this Mandatory Conversion Notice. Pursuant to Section 4(b) of the Debenture, on or before the first (1st) Trading day following the date of this Mandatory Conversion Notice, the Company shall [[instruct such transfer agent to credit such aggregate number of Common Shares to which the Holder shall be entitled to the Holder’s or its designee’s balance account with DTC through its Deposit Withdrawal Agent Commission system]⁶[issue and deliver to the address as specified by the Holder, a certificate or book-entry position, registered in the name of the Holder or its designee]⁷], for the number of Common Shares to which the Holder shall be entitled. Capitalized terms not defined in this Mandatory Conversion Notice shall have the meaning set forth in the Debenture.

Mandatory Conversion Trigger Calculation

Dates of Measurement Period:

VWAP during Measurement Period:

130% of Conversion Price:

Principal Amount to be Converted:

Accrued Interest to be Converted:

Total Conversion Amount to be Converted:

Conversion Price:

Number of Common Shares to be Issued:

[Signature Page Follows]

BIOSIG TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

ACKNOWLEDGED BY:
[HOLDER NAME]

By: _____
Name: _____
Title: _____

Please issue the Common Shares in the following name and deliver them to the following account:
Issue to:

Broker DTC Participant Code:
Account Number:

[Signature Page to Mandatory Conversion Notice]

EXHIBIT III
MARKET PRICE CONVERSION NOTICE

(To be executed by the Holder in order to initiate Market Price Conversions)

TO: BioSig Technologies, Inc.

Via Email: [●]

The undersigned hereby elects to convert up to \$[●] of unpaid Principal, together with all accrued and unpaid interest on such Principal, as of the first calendar day of the Calendar Month set forth below, of the Secured Convertible Debenture No. PLUG-[●] into Common Shares of **BIOSIG TECHNOLOGIES, INC.**, according to the conditions stated therein, at the Market Price during the Calendar Month set forth below. Capitalized terms used but not defined herein shall have the meaning ascribed thereto in Convertible Debenture No. PLUG-[●].

The Holder will be eligible to begin submitting Market Price Conversions on [●]⁴ if the Holder does not receive a Market Price Conversion Payment Notice from the Company prior to [●]⁵.

Calendar Month:

Principal Amount eligible to be Converted:

Accrued Interest on such Principal Amount as of the first calendar day of the Calendar Month set forth above eligible to be Converted:

Total Conversion Amount eligible to be converted at the Market Price during the Calendar Month set forth above:

Applicable Market Price Conversion Payment:

Authorized Signature:

Name:

Title:

⁴ NTD: The first calendar day of the applicable Calendar Month.

⁵ NTD: The first calendar day of the applicable Calendar Month.

CERTIFICATION

I, Henry McPhie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioSig Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 15, 2025

/s/ Henry McPhie

Henry McPhie

Chief Executive Officer (Principal Executive Officer)

CERTIFICATION

I, Ferdinand Groenewald, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioSig Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 15, 2025

/s/ Ferdinand Groenewald

Ferdinand Groenewald

Acting Chief Financial Officer (Principal Accounting Officer)

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Henry McPhie, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioSig Technologies, Inc. on Form 10-Q for the fiscal quarter ended June 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioSig Technologies, Inc.

Date: August 15, 2025

By: /s/ Henry McPhie

Name: Henry McPhie

Title: *Chief Executive Officer (Principal Executive Officer)*

I, Ferdinand Groenewald, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioSig Technologies, Inc. on Form 10-Q for the fiscal quarter ended June 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioSig Technologies, Inc.

Date: August 15, 2025

By: /s/ Ferdinand Groenewald

Name: Ferdinand Groenewald

Title: *Acting Chief Financial Officer (Principal Accounting Officer)*
