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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

or

☐ **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: 001-39811

Dogwood Therapeutics, Inc.
(Exact name of registrant as specified in its charter)

Delaware	85-4314201
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

44 Milton Avenue
Alpharetta, GA 30009
(Address of Principal Executive Offices)

(866) 620-8655
(Registrant's telephone number)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of Each Class	Trading symbol	Name of Exchange on which registered
Common Stock, par value $0.0001 per share	**DWTX**	**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 the 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	☐	Accelerated filer	☐		
Non-accelerated filer	☒	Smaller reporting company	☒	Emerging growth company	☒

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 6, 2025, there were 1,911,128 shares of the registrant's common stock outstanding.

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PART I —FINANCIAL INFORMATION

Item 1. Financial Statements

DOGWOOD THERAPEUTICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2025 (Unaudited)	December 31, 2024
Assets		
Current assets:		
Cash	**$ 13,402,809**	$ 14,847,949
Prepaid expenses and other current assets	**1,301,485**	1,696,513
Total current assets	**14,704,294**	16,544,462
Property and equipment, net	**16,179**	16,811
Right-of-use assets	**190,964**	205,837
Prepaid expenses, long-term	**19,125**	18,133
Goodwill	**12,458,383**	11,812,476
Intangible assets	**69,303,582**	65,710,527
Total assets	**$ 96,692,527**	$ 94,308,246
Liabilities, Series A Non-Voting Convertible Preferred Stock, and Stockholders' equity (deficit)		
Current liabilities:		
Accounts payable	**$ 498,118**	$ 1,231,805
Accrued expenses	**1,332,574**	1,894,835
Lease liability, current portion	**54,496**	49,696
Total current liabilities	**1,885,188**	3,176,336
Debt with related party, net of issuance costs	**—**	15,381,077
Lease liability, long-term portion	**132,494**	154,885
Deferred tax liability	**12,134,222**	11,314,925
Total liabilities	**14,151,904**	30,027,223
Commitments and contingencies (Note 12)		
Series A Non-Voting Convertible Preferred Stock, $0.0001 par value; 2,270 shares authorized; 2,269.1494 shares issued and outstanding at June 30, 2025 and 2,213.8044 shares issued and outstanding at December 31, 2024	**75,662,024**	74,405,362
Stockholders' equity (deficit):		
Common stock, $0.0001 par value; 43,000,000 shares authorized; 1,918,846 and 1,911,128 shares issued and outstanding at June 30, 2025, respectively; and 1,339,896 and 1,332,178 shares issued and outstanding at December 31, 2024, respectively	**191**	133
Series A-1 Non-Voting Convertible Preferred Stock, $0.0001 par value; 284.2638 shares authorized, issued and outstanding at June 30, 2025 and no shares authorized, issued and outstanding at December 31, 2024	**24,994,461**	—
Preferred stock, $0.0001 par value; 1,997,446 and 1,997,730 shares authorized; no shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	**—**	—
Additional paid-in capital	**71,001,615**	67,856,589
Accumulated deficit	**(88,551,251)**	(73,818,946)
Accumulated other comprehensive loss	**(267,289)**	(3,862,987)
	7,177,727	(9,825,211)
Less: Treasury stock, 7,718 shares of common stock at cost	**(299,128)**	(299,128)
Total stockholders' equity (deficit)	**6,878,599**	(10,124,339)
Total liabilities, Series A Non-Voting Convertible Preferred Stock and Stockholders' equity (deficit)	**$ 96,692,527**	$ 94,308,246

See accompanying notes to the condensed consolidated financial statements.

DOGWOOD THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024 (As Adjusted)	2025	2024 (As Adjusted)
Revenue	**$ —**	$ —	**$ —**	$ —
Operating expenses:				
Research and development	**2,569,943**	336,084	**5,006,941**	679,801
General and administrative expenses	**1,353,172**	733,740	**3,346,100**	1,704,124
Total operating expenses	**3,923,115**	1,069,824	**8,353,041**	2,383,925
Loss from operations	**(3,923,115)**	(1,069,824)	**(8,353,041)**	(2,383,925)
Other (expense) income:				
Loss on debt conversion with related party	**—**	—	**(6,134,120)**	—
Interest income (expense), net	**111,379**	19,991	**(35,711)**	42,757
Exchange gain (loss), net	**4,532**	—	**(18,742)**	—
Total other income (expense)	**115,911**	19,991	**(6,188,573)**	42,757
Loss before income taxes	**(3,807,204)**	(1,049,833)	**(14,541,614)**	(2,341,168)
Deferred income tax expense	**(149)**	—	**(190,691)**	—
Net loss	**(3,807,353)**	(1,049,833)	**(14,732,305)**	(2,341,168)
Accrual of paid-in-kind dividends on Series A Non-Voting Convertible Preferred Stock	**—**	—	**(1,256,662)**	—
Net loss attributable to common stockholders	**$ (3,807,353)**	$ (1,049,833)	**$ (15,988,967)**	$ (2,341,168)
Net loss per common share, basic and diluted	**$ (1.99)**	$ (1.15)	**$ (9.51)**	$ (2.78)
Weighted average number of shares outstanding – basic and diluted	**1,911,128**	916,031	**1,680,827**	843,174
Comprehensive loss				
Net loss	**$ (3,807,353)**	$ (1,049,833)	**$ (14,732,305)**	$ (2,341,168)
Foreign currency translation adjustment	**3,534,542**	—	**3,595,698**	—
Comprehensive loss	**$ (272,811)**	$ (1,049,833)	**$ (11,136,607)**	$ (2,341,168)

See accompanying notes to the condensed consolidated financial statements.

DOGWOOD THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SERIES A NON-VOTING CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	Series A Non-Voting Convertible Preferred Stock		Series A-1 Non-Voting Convertible Preferred Stock		Common Stock		Additional	Accumulated	Accumulated Other Comprehensive	Treasury	Total Stockholders'
	Shares	Amount	Shares	Par	Shares	Par	Paid-In Capital	Deficit	Loss	Stock	(Deficit) Equity
Balance, December 31, 2024	2,213.8044	$ 74,405,362	—	$ —	1,332,178	$133	$ 67,856,589	$(73,818,946)	$ (3,862,987)	$(299,128)	$ (10,124,339)
Conversion of loan payable plus interest into Series A-1 Non-Voting Convertible Preferred Stock			284.2638	24,994,461	—	—	—	—	—	—	24,994,461
Proceeds from registered direct offering of common stock, net of offering costs	—	—	—	—	578,950	58	4,252,735	—	—	—	4,252,793
Accrual of paid-in-kind dividends on Series A Non-Voting Convertible Preferred Stock	—	1,256,662	—	—	—	—	(1,256,662)	—	—	—	(1,256,662)
Share-based compensation expense	—	—	—	—	—	—	84,474	—	—	—	84,474
Net loss	—	—	—	—	—	—	—	(10,924,952)	—	—	(10,924,952)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	61,156	—	61,156
Balance, March 31, 2025	2,213.8044	$ 75,662,024	284.2638	$ 24,994,461	1,911,128	$191	$ 70,937,136	$(84,743,898)	$ (3,801,831)	$(299,128)	$ 7,086,931
Issuance of paid-in-kind dividends on Series A Non-Voting Convertible Preferred Stock	55.3450	—	—	—	—	—	—	—	—	—	-
Additional fees associated with issuance of common stock	—	—	—	—	—	—	(548)	—	—	—	(548)
Share-based compensation expense	—	—	—	—	—	—	65,027	—	—	—	65,027
Net loss	—	—	—	—	—	—	—	(3,807,353)	—	—	(3,807,353)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	3,534,542	—	3,534,542
Balance, June 30, 2025	**2,269.1494**	**$ 75,662,024**	**284.2638**	**$ 24,994,461**	**1,911,128**	**$191**	**$ 71,001,615**	**$(88,551,251)**	**$ (267,289)**	**$(299,128)**	**$ 6,878,599**

	Series A Non-Voting Convertible Preferred Stock		Series A-1 Non-Voting Convertible Preferred Stock		Common Stock		Additional	Accumulated	Accumulated Other Comprehensive	Treasury	Total Stockholders'
	Shares	Amount	Shares	Amount	Shares	Par	Paid-In Capital	Deficit	Loss	Stock	Equity
Balance, December 31, 2023, as adjusted	—	$ —	—	$ —	770,317	$ 77	$ 65,575,167	$(61,469,222)	$ —	$(299,128)	$ 3,806,894
Share-based compensation expense	—	—	—	—	—	—	138,969	—	—	—	138,969
Net loss	—	—	—	—	—	—	—	(1,291,335)	—	—	(1,291,335)
Balance, March 31, 2024, as adjusted	—	$ —	—	$ —	770,317	$ 77	$ 65,714,136	$(62,760,557)	$ —	$(299,128)	$ 2,654,528
Proceeds from issuance of shares, net of fees	—	—	—	—	340,000	34	1,382,136	—	—	—	1,382,170
Share-based compensation expense	—	—	—	—	—	—	148,948	—	—	—	148,948
Net loss	—	—	—	—	—	—	—	(1,049,833)	—	—	(1,049,833)
Balance, June 30, 2024, as adjusted	**—**	**$ —**	**—**	**$ —**	**1,110,317**	**$111**	**$ 67,245,220**	**$(63,810,390)**	**$ —**	**$(299,128)**	**$ 3,135,813**

See accompanying notes to the condensed consolidated financial statements.

DOGWOOD THERAPEUTICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	2025	**2024**
Cash flows from operating activities		
Net loss	**$ (14,732,305)**	$ (2,341,168)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on foreign exchange	**1,712**	—
Amortization of loan costs	**52,373**	—
Depreciation expense	**34,278**	—
Loss on debt conversion with related party	**6,134,120**	—
Deferred tax expense	**190,691**	—
Share-based compensation expense	**149,501**	287,917
Changes in operating assets and liabilities:		
Decrease in prepaid expenses and other current assets	**396,528**	232,790
(Decrease) increase in accounts payable	**(738,306)**	35,622
(Decrease) increase in accrued expenses and other liabilities	**(197,264)**	35,679
Net cash used in operating activities	**(8,708,672)**	(1,749,160)
Cash flows from financing activities		
Proceeds from registered direct offering of common stock, net of offering costs	**4,252,245**	1,452,397
Proceeds from loan with related party	**3,000,000**	—
Net cash provided by financing activities	**7,252,245**	1,452,397
Net decrease in cash	**(1,456,427)**	(296,763)
Cash, beginning of period	**14,847,949**	3,316,946
Effect of foreign currency translation on cash	**11,287**	—
Cash, end of period	**$ 13,402,809**	$ 3,020,183
Supplemental disclosure of non-cash financing and investing activities:		
Offering costs included in accounts payable and accrued expenses	**$ —**	$ 70,227
Accrual of paid-in-kind dividends on Series A Non-Voting Convertible Preferred Stock	**$ 1,256,662**	$ —
Conversion of debt with related party into Series A-1 Non-Voting Convertible Preferred Stock	**$ 19,500,000**	$ —
Conversion of accrued interest on debt with related party into Series A-1 Non-Voting Convertible Preferred Stock	**$ 426,891**	$ —

See accompanying notes to the condensed consolidated financial statements.

DOGWOOD THERAPEUTICS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1 Organization and Nature of Business

Dogwood Therapeutics, Inc. (the "Company"), formerly known as Virios Therapeutics, Inc., was incorporated under the laws of the State of Delaware on December 16, 2020 through a corporate conversion (the "Corporate Conversion") just prior to the Company's initial public offering ("IPO"). The Company was originally formed on February 28, 2012 as a limited liability company ("LLC") under the laws of the State of Alabama as Innovative Med Concepts, LLC. On July 23, 2020, the Company changed its name from Innovative Med Concepts, LLC to Virios Therapeutics, LLC. On October 7, 2024, the Company acquired Pharmagesic (Holdings) Inc., a Canadian corporation ("Pharmagesic") and the parent company of Wex Pharmaceuticals, Inc. ("Wex"), through a business combination, and changed its name from Virios Therapeutics, Inc. to Dogwood Therapeutics, Inc. (the "Name Change") on October 9, 2024. Prior to the business combination, Pharmagesic was a wholly-owned subsidiary of Sealbond Limited and an indirect wholly-owned subsidiary of CK Life Sciences Int'l., (Holdings) Inc. ("CKLS"), a listed entity on the Main Board of the Hong Kong Stock Exchange.

The Company operates in one segment and is a pre-revenue, development-stage biopharmaceutical company focused on developing new medicines to treat pain and fatigue-related disorders. The Company's research pipeline is focused on two separate mechanistic pillars; Na_v 1.7 modulation to treat chronic and acute pain disorders and combination antiviral therapies targeting reactivated herpes virus mediated illnesses. The proprietary non-opioid Na_v 1.7 analgesic program is centered on our lead development candidate Halneuron®. Halneuron® is a voltage-gated sodium channel modulator, a mechanism known to be effective for reducing pain. Halneuron® treatment has demonstrated pain reduction of both general cancer related pain and chemotherapy-induced neuropathic pain ("CINP"). The Halneuron® Phase 2b CINP study ("HALT-CINP-203") commenced in the first quarter of 2025. The antiviral program includes IMC-1 and IMC-2, which are novel, proprietary, fixed dose combinations of nucleoside analog, anti-herpes antivirals and the anti-inflammatory agent, celecoxib for the treatment of fibromyalgia ("FM") and Long-COVID ("LC").

Going Concern

Since its founding, the Company has been engaged in research and development activities, as well as organizational activities, including raising capital. The Company has not generated any revenues to date. As such, the Company is subject to all of the risks associated with any development-stage biotechnology company that has substantial expenditures for research and development. Since inception, the Company has incurred losses and negative cash flows from operating activities. The Company has funded its losses primarily through issuance of members' interests, convertible debt instruments and issuance of equity securities. For the three and six months ended June 30, 2025 and 2024, the Company incurred net losses of $3,807,353 and $14,732,305, respectively, and $1,049,833 and $2,341,168, respectively and had net cash outflows used in operating activities for the six months ended June 30, 2025 and 2024 of $8,708,672 and $1,749,160, respectively. As of June 30, 2025, the Company had an accumulated deficit of $88,551,251 and is expected to incur losses in the future as it continues its development activities.

Concurrent with the Combination discussed below, on October 7, 2024, the Company entered into a Loan Agreement (the "Loan Agreement") with Conjoint Inc., a Delaware corporation ("Lender") and an affiliate of CKLS. Pursuant to the Loan Agreement, the Lender agreed to make a loan to the Company in the aggregate principal amount of $19,500,000, of which (i) $16,500,000 was disbursed on October 7, 2024 and (ii) $3,000,000 was disbursed on February 18, 2025. Pursuant to the terms of the Loan Agreement, the proceeds are to be used for the purpose of (1) funding operations and (2) performing clinical and research & development activities related to Halneuron®. On March 12, 2025, the Company entered into a Debt Exchange and Cancellation Agreement (the "Exchange and Cancellation Agreement") with the Lender. Pursuant to the Exchange and Cancellation Agreement, the principal amount of all loans made to the Company under the Loan Agreement, along with accrued interest through March 12, 2025, was deemed repaid and all of the Company's

obligations satisfied in full and cancelled in exchange for 284.2638 shares of the Company's Series A-1 Non-Voting Convertible Preferred Stock, par value $0.0001 per share (the "Debt Exchange and Cancellation Transaction").

On March 12, 2025, the Company entered into an agreement with Maxim Group LLC as placement agent in connection with the issuance and sale by the Company in a registered direct offering of 578,950 shares of its Common Stock at a price of $8.26 per share (the "March 2025 Offering"), pursuant to an effective shelf registration statement on Form S-3 (File No. 333-263700). The March 2025 Offering closed on March 14, 2025, and the gross proceeds from the March 2025 Offering were approximately $4.78 million. The net proceeds of the March 2025 Offering were approximately $4.25 million after deducting placement agent fees and offering expenses payable by the Company.

As of the issuance date of these condensed consolidated financial statements, the Company's cash is not sufficient to fund operating expenses and capital requirements for at least the next 12 months. Dogwood will need to secure additional financing to fund its ongoing clinical trials and operations beyond the first quarter of 2026 to continue to execute its strategy. Management plans to explore various dilutive and non-dilutive sources of funding, including equity financings, debt financings, collaboration and licensing arrangements or other financing alternatives. There is no assurance that such financings will be available when needed or on acceptable terms. Accordingly, there is substantial doubt about the Company's ability to operate as a going concern within one year after the issuance date of these condensed consolidated financial statements. The condensed consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to reflect this uncertainty.

2 Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed interim consolidated financial statements are unaudited. These unaudited financial statements have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, they do not include all the information and notes required by accounting principles generally accepted in the United States of America ("U.S. GAAP") for complete financial statements. These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements and accompanying notes as found in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 31, 2025 (the "2024 Annual Report on Form 10-K"). In the opinion of management, the unaudited condensed interim consolidated financial statements reflect all the adjustments (consisting of normal recurring adjustments) necessary to state fairly the Company's financial position, results of operations and cash flows for the interim periods presented. The interim consolidated results of operations are not necessarily indicative of the results that may occur for the full fiscal year. The December 31, 2024 balance sheet included herein was derived from the audited consolidated financial statements, but does not include all disclosures, including notes, required by U.S. GAAP for complete financial statements. Any reference in these notes to applicable guidance is meant to refer to U.S. GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB"). The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Pharmagesic, including Pharmagesic's wholly owned subsidiary, Wex, and Wex's wholly owned subsidiaries, IWT Bio, Inc. ("IWT"), Wex Medical Corporation ("WMC"), and Wex Medical Limited ("WML"). All intercompany accounts and transactions have been eliminated in consolidation. The Company has determined the functional currency of Pharmagesic, Wex, IWT and WMC and WML to be the Canadian dollar. The Company translates assets and liabilities of Pharmagesic, Wex, IWT, WMC and WML at exchange rates in effect at the balance sheet date with the resulting translation adjustments directly recorded as a separate component of accumulated other comprehensive income. Income and expense accounts are translated at average exchange rates for the period. Transactions which are not in the functional currency are remeasured into the functional currency and gains and losses resulting from the remeasurement are recorded in foreign currency exchange and other gain (loss), net.

Reverse Stock Split

On October 9, 2024, the Company effected a reverse stock split of 25 shares for 1 share of Common Stock ("the Reverse Stock Split"). The Reverse Stock Split reduced the number of shares of Common Stock issued (which includes outstanding shares and treasury shares) from 27,950,888 shares to 1,118,035 shares, and reduced shares outstanding from 27,757,937 shares to 1,110,317 shares. There was no change to the total number of shares of Common Stock that the Company is authorized to issue and there was no change in the par value of the Common Stock, and no fractional shares were issued. All share and per share amounts in the condensed consolidated financial statements and footnotes have been retroactively adjusted for all periods presented to give effect to the Reverse Stock Split. As a result of the Reverse Stock Split, the exercise prices and number of shares to be issued under each of our outstanding option and warrant agreements were proportionately adjusted. As a result of the changes, there was a reclassification of $1,867 to additional paid in capital from par value of Common Stock and treasury stock as of December 31, 2023.

Use of Estimates

The preparation of these interim condensed consolidated financial statements and accompanying notes in conformity with U.S. GAAP 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 expenses during the reporting period. The Company's significant estimates and assumptions include estimated work performed but not yet billed by contract manufacturers, engineers and research organizations, the valuation of equity and stock-based related instruments, the valuation allowance related to deferred taxes, the estimated fair value of the net assets acquired in connection with the business combination of Pharmagesic, including impairment of In-Process Research and Development and discount for lack of marketability, and the estimated fair value of the contingent value rights ("CVRs") given to common stockholders at the time of the business combination. Some of these judgments can be subjective and complex, and, consequently, actual results could differ from those estimates. Although the Company believes that its estimates and assumptions are reasonable, they are based upon information available at the time the estimates and assumptions were made. Actual results could differ from those estimates.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources in assessing performance. The Company has one reportable segment. The segment consists of the development of clinical and preclinical product candidates focused on advancing novel therapeutics for pain and fatigue illness. The Company's chief operating decision maker ("CODM") is the Chief Executive Officer.

The accounting policies of the segment are the same as those described in the summary of significant accounting policies. The CODM assesses performance for the segment based on net loss, which is reported on the income statement as consolidated net loss. The measure of segment assets is reported on the balance sheet as total consolidated assets.

To date, the Company has not generated any product revenue. The Company expects to continue to incur significant expenses and operating losses for the foreseeable future as it advances product candidates through all stages of development and clinical trials and, ultimately, seek regulatory approval. As such, the CODM uses cash forecast models in deciding how to invest into the segment. Such cash forecast models are reviewed to assess the entity-wide operating results and performance. Net loss is used to monitor budget versus actual results. Monitoring budgeted versus actual results is used in assessing performance of the segment and in establishing management's compensation, along with cash forecast models.

The table below summarizes the significant expense categories regularly reviewed by the CODM for the three and six months ended June 30, 2025 and 2024:

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Operating expenses:				
Clinical	**$ 1,630,084**	$ 2,048	**$ 3,447,316**	$ 4,322
Chemical, manufacturing and controls	**558,916**	25,418	**694,038**	68,055
Research and preclinical	**8,094**	122,565	**32,228**	186,280
Regulatory	**5,628**	—	**27,286**	(16)
Other research and development costs	**367,221**	186,053	**806,073**	421,160
Total research and development	**2,569,943**	336,084	**5,006,941**	679,801
General and administrative expenses	**1,353,172**	733,740	**3,346,100**	1,704,124
Total operating expenses	**3,923,115**	1,069,824	**8,353,041**	2,383,925
Loss from operations	**(3,923,115)**	(1,069,824)	**(8,353,041)**	(2,383,925)
Loss on debt conversion with related party	**—**	—	**(6,134,120)**	—
Interest income (expense), net	**111,379**	19,991	**(35,711)**	42,757
Exchange gain (loss), net	**4,532**	—	**(18,742)**	—
Net loss before income taxes	**$ (3,807,204)**	$ (1,049,833)	**$ (14,541,614)**	$ (2,341,168)

Concentrations of Credit Risk

Cash is potentially subject to concentrations of credit risk. The Company believes it is not exposed to significant credit risk due to the financial strength of the depository institutions in which the cash is held.

Fair Value Measurements

The fair value of the Company's interim condensed consolidated financial instruments is determined and disclosed in accordance with the three-tier fair value hierarchy specified in ASC Topic 820, *Fair Value Measurements.* The Company is required to disclose the estimated fair value of its consolidated financial instruments. As of June 30, 2025 and December 31, 2024, the Company's consolidated financial instruments included cash, miscellaneous receivables, accounts payable, and accrued expenses which all approximate their fair values. The fair values of the Company's debt at December 31, 2024 were estimated using market rates the Company believes would be available for similar types of financial instruments and represent level 2 measurements. See Notes 3, 9, and 10 below.

Business Combinations

The Company evaluates acquisitions of assets and other similar transactions to assess whether or not the transaction should be accounted for as a business combination or asset acquisition by first applying a screen to determine if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the screen is met, the transaction is accounted for as an asset acquisition. If the screen is not met, further determination is required as to whether or not the Company has acquired inputs and processes that have the ability to create outputs, which would meet the requirements of a business. If determined to be a business combination, the Company accounts for the transaction under the acquisition method of accounting as indicated in ASU 2017-01, Business Combinations (ASC 805), which requires the acquiring entity in a business combination to recognize the fair value of all assets acquired, liabilities assumed, and any non-controlling interest in the acquiree and establishes the acquisition date as the fair value measurement point. Accordingly, the Company recognizes assets acquired and liabilities assumed in business combinations based on the fair value estimates as of the date of acquisition. In accordance with ASC

805, Business Combinations, the Company recognizes and measures goodwill as of the acquisition date, as the excess of the fair value of the consideration paid over the fair value of the identified net assets acquired.

Cash

Cash is maintained in bank deposit accounts, which exceed the federally insured limits of $250,000. The Company does not have any cash equivalents.

Property and Equipment

Property and equipment are carried at acquisition cost less accumulated depreciation, subject to review for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable as described further under the heading "Impairment of Long-Lived Assets" below.

Depreciation and amortization are computed using the straight-line method based on the estimated useful lives of the related assets. Leasehold improvements are amortized over the term of the lease. Office equipment and furniture are depreciated over five years and computer software and equipment are depreciated over two years.

When an asset is disposed of, the associated cost and accumulated depreciation is removed from the related accounts on the Company's consolidated balance sheet with any resulting gain or loss included in the Company's consolidated statement of operations.

Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets consist of In-Process Research and Development ("IPR&D"). The fair values of IPR&D project assets acquired in business combinations are capitalized. The Company generally utilizes the Multi-Period Excess Earning Method to determine the estimated fair value of the IPR&D assets acquired in a business combination. The projections used in this valuation approach are based on many factors, such as relevant market size, the estimated probability of regulatory success rates, anticipated patent protection, expected pricing, expected treated population, and estimated payments (e.g., royalty). The estimated future net cash flows are then discounted to the present value using an appropriate discount rate. These assets are treated as indefinite-lived intangible assets until completion or abandonment of the projects, at which time the assets are amortized over the remaining useful life or written off, as appropriate.

Intangible assets with indefinite lives, including IPR&D, are tested for impairment if impairment indicators arise and, at a minimum, annually. However, an entity is permitted to first assess qualitative factors to determine if a quantitative impairment test is necessary. Further testing is only required if the entity determines, based on the qualitative assessment, that it is more likely than not that an indefinite-lived intangible asset's fair value is less than its carrying amount. Otherwise, no further impairment testing is required. The indefinite-lived intangible asset impairment test consists of a one-step analysis that compares the fair value of the intangible asset with its carrying amount. If the carrying amount of an intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. The Company considers many factors in evaluating whether the value of our intangible assets with indefinite lives may not be recoverable, including, but not limited to, expected growth rates, the cost of equity and debt capital, general economic conditions, outlook and market performance of the Company's industry and recent and forecasted financial performance.

The Company evaluates indefinite-lived intangible assets for impairment at least annually on October 1 and whenever facts and circumstances indicate that their carrying amounts may not be recoverable. For the six months ended June 30, 2025, the Company determined that there was no impairment to IPR&D.

Goodwill

Goodwill represents the amount of consideration paid in excess of the fair value of net assets acquired as a result of the Company's business acquisitions accounted for using the acquisition method of accounting. The intangible assets acquired represented the fair value of IPR&D which has been recorded on the accompanying consolidated balance sheet as indefinite-lived intangible assets. A deferred tax liability was recorded for the difference between the fair value of the acquired IPR&D and its tax basis which was recognized as goodwill in applying the purchase method of accounting. Goodwill is not amortized and is subject to impairment testing at a reporting unit level on an annual basis or when a triggering event occurs that may indicate the carrying value of the goodwill is impaired. An entity is permitted to first assess qualitative factors to determine if a quantitative impairment test is necessary. Further testing is only required if the entity determines, based on the qualitative assessment, that it is more likely than not that the fair value of the reporting units is less than its carrying amount.

The Company evaluates goodwill for impairment at least annually on October 1 and whenever facts and circumstances indicate that their carrying amounts may not be recoverable. For the six months ended June 30, 2025, the Company determined that there was no impairment to goodwill.

Operating Lease Right-of-use Asset and Lease Liability

The Company accounts for leases under ASC 842, Leases. Operating leases are included in "Right-of-use assets" within the Company's consolidated balance sheets and represent the Company's right to use an underlying asset for the lease term. The Company's related obligation to make lease payments are included in "Lease liability" and "Lease liability, net of current portion" within the Company's consolidated balance sheets. Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rates, which are the rates incurred to borrow on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The ROU assets are tested for impairment according to ASC 360, Property, Plant, and Equipment ("ASC 360"). Leases with an initial term of 12 months or less are not recorded on the balance sheet and are recognized as lease expense on a straight-line basis over the lease term.

As of June 30, 2025 and December 31, 2024, the Company's operating lease ROU assets and corresponding short-term and long-term lease liabilities primarily relate to the operating lease for an office in Vancouver, British Columbia, that was acquired as part of the Combination with Pharmagesic. The office lease expires on August 31, 2028.

Impairment of Long-Lived Assets

In accordance with ASC 360-10-35, Impairment or Disposal of Long-Lived Assets, the Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable (i.e., impaired). Once an impairment is determined, the actual impairment recognized is the difference between the carrying amount and the fair value (less costs to sell for assets to be disposed of) as estimated using one of the following approaches: income, cost, and/or market. Fair value using the income approach is determined primarily using a discounted cash flow model that uses the estimated cash flows associated with the asset or asset group under review, discounted at a rate commensurate with the risk involved. Fair value utilizing the cost approach is determined based on the replacement cost of the asset reduced for, among other things, depreciation and obsolescence. Fair value, utilizing the market approach, benchmarks the fair value against the carrying amount.

Redeemable and Convertible Preferred Stock

The Company applies ASC 480 when determining the classification and measurement of its preferred stock. Preferred shares subject to mandatory redemption are classified as liability instruments and are measured at fair value. Conditionally redeemable preferred shares (including preferred shares that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. At all other times, preferred shares are classified as stockholders' (deficit) equity. See Note 10 to these condensed consolidated financial statements.

Net Income (Loss) per Common Share Applicable to Common Stockholders

The Company uses the two-class method to compute net income per common share during periods the Company realizes net income and has securities outstanding (e.g., redeemable convertible preferred stock) that entitle the holder to participate in dividends and earnings of the Company. In addition, the Company analyzes the potential dilutive effect of outstanding redeemable convertible preferred stock under the "if-converted" method when calculating diluted earnings per share and reports the more dilutive of the approaches (two class or "if-converted"). The two-class method is not applicable during periods with a net loss, as the holders of the redeemable convertible preferred stock have no obligation to fund losses. The Company also analyzes the potential dilutive effect of outstanding stock options and warrants under the treasury stock method (as applicable), during periods of income.

Basic and Diluted Net Loss per Share

Basic net loss per common share ("EPS") is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted EPS reflects potential dilution and is computed by dividing net loss by the weighted average number of common shares outstanding during the period increased by the number of additional common shares that would have been outstanding if all potential common shares had been issued and were dilutive. However, potentially dilutive securities are excluded from the computation of diluted EPS to the extent that their effect is anti-dilutive. For the three and six months ended June 30, 2025 and 2024, the Company had options to purchase 202,630 and 92,777 shares of Common Stock, respectively, warrants to purchase 7,755 and 7,755 shares of Common Stock, respectively, and preferred shares to convert into 25,534,132 and none, of Common Stock, respectively, outstanding that were anti-dilutive.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it is (i) no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided by the JOBS Act. As a result, these interim condensed consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates. The Company will lose its status as an emerging growth company as of December 31, 2025.

Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Improvements to Income Tax Disclosures (Topic 740), which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. The new guidance requires consistent categorization and greater disaggregation of information in the rate reconciliation, as well as further disaggregation of income taxes paid. This change is effective for annual periods beginning

after December 15, 2024. This change will apply on a prospective basis to annual financial statements for periods beginning after the effective date. However, retrospective application in all prior periods presented is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which improves disclosures about an entity's expenses and addresses requests from investors for more detailed information about types of expenses including purchases of inventory, employee compensation, depreciation, amortization, and depletion, commonly presented in cost of sales, research and development and general and administrative expenses. In January 2025, the FASB issued ASU 2025-01 which revises the effective date of ASU 2024-03. Adoption of these new disclosure requirements are effective for public entities for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027 and early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-03, *Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*, to improve the requirements for identifying the accounting acquirer in Topic 805, *Business Combinations*. The amendments in ASU 2025-03 revise current guidance for determining the accounting acquirer for a transaction effected primarily by exchanging equity interests in which the legal acquiree is a variable interest entity ("VIE") that meets the definition of a business. The amendments require that an entity consider the same factors that are currently required for determining which entity is the accounting acquirer in other acquisition transactions. Entities will be required to apply the new guidance prospectively to any acquisition transaction that occurs after the initial application date. Adoption of this guidance is effective for all entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods and early adoption is permitted as of the beginning of an interim or annual reporting period. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

3 Business Combination

On October 7, 2024, the Company entered into a Share Exchange Agreement (the "Exchange Agreement") with Sealbond Limited, a British Virgin Islands corporation ("Sealbond"), pursuant to which the Company acquired 100% of the issued and outstanding common shares of Pharmagesic (such transaction, the "Combination"). Prior to the Combination, Pharmagesic was a wholly-owned subsidiary of Sealbond and an indirect wholly-owned subsidiary of CKLS, a listed entity on the Main Board of the Hong Kong Stock Exchange.

Under the terms of the Exchange Agreement, on October 7, 2024 (the "Closing"), in exchange for all of the outstanding common shares of Pharmagesic immediately prior to the Effective Time, as defined in the Exchange Agreement, the Company issued to Sealbond, as sole shareholder of Pharmagesic, an aggregate of (A) 211,383 shares of the Company's unregistered Common Stock, which shares represented a number of shares equal to no more than 19.99% of the outstanding shares of Common Stock as of immediately before the Effective Time and (B) 2,108.3854 shares of the Company's unregistered Series A Non-Voting Convertible Preferred Stock, par value $0.0001 per share ("Series A Preferred Stock") (as described below). The issuance of the shares of Common Stock and Series A Preferred Stock to Sealbond occurred on October 9, 2024. Each share of Series A Preferred Stock is convertible into 10,000 shares of Common Stock, subject to certain conditions described in the Exchange Agreement.

The Board of Directors of the Company (the "Board") approved the Exchange Agreement and the related transactions, and the consummation of the Combination was not subject to approval of Company stockholders. Pursuant to the Exchange Agreement, the Company agreed to hold a stockholders' meeting to submit the certain matters to its stockholders for their consideration, including: (i) the approval of the conversion of shares of Series A Preferred Stock into shares of Common Stock in accordance with the rules of the Nasdaq Stock Market LLC (the "Conversion Proposal") and (ii) the approval of a "change of control" under Nasdaq Listing Rules 5110 and 5635(b) (the "Change of Control Proposal"); and together with the Conversion Proposal, the "Meeting Proposals"). In connection with these matters, the Company agreed to file a proxy statement on Schedule 14A with the SEC at any time between the interim analysis readout of the Phase 2b study for Halneuron® and June 30, 2026, or earlier, if mutually agreed upon by both parties.

The Combination was accounted for under the acquisition method of accounting. Under the acquisition method, the total purchase price of the acquisition is allocated to the net tangible and identifiable intangible assets acquired and liabilities assumed based on the fair values as of the date of the acquisition. Consideration paid is comprised of the estimated fair value of various securities issued including the Series A Preferred Stock and Common Stock issued to Sealbond, the sole shareholder of Pharmagesic.

The fair value of the consideration totaled approximately $71.3 million, summarized as follows:

Fair value of common stock issued	$	893,093
Fair value of preferred stock issued		70,372,634
Total Consideration Paid	$	71,265,727

The Company recorded the assets acquired and liabilities assumed as of the date of the Combination based on the information available at that date. The following table presents the allocation of the purchase price to the estimated fair values of the assets acquired and liabilities assumed as of the Combination date:

Assets acquired:		
Cash	$	3,762,000
Prepaid expenses and other current assets		380,000
Property and equipment		19,000
In-process research and development assets		69,500,000
Goodwill		12,493,727
Right-of-use asset - operating leases		230,000
Total assets acquired	$	86,384,727
Liabilities assumed:		
Accounts payable	$	904,000
Accrued expenses and other current liabilities		2,017,000
Deferred tax liability		11,968,000
Operating lease liabilities		230,000
Total liabilities assumed	$	15,119,000
Net assets acquired	$	71,265,727

The fair value of IPR&D was capitalized as of the date of the Combination and accounted for as indefinite-lived intangible assets until completion or disposition of the assets or abandonment of the associated research and development efforts. Upon successful completion of the development efforts, the useful lives of the IPR&D assets will be determined based on the anticipated period of regulatory exclusivity and will be amortized within operating expenses. Until that time, the IPR&D assets will be subject to impairment testing and will not be amortized. The goodwill recorded related to the acquisition is the excess of the fair value of the consideration transferred by the acquirer over the fair value of the net identifiable assets acquired and liabilities assumed at the date of the Combination. The goodwill recorded is not deductible for tax purposes.

The following summarizes the Company's intangible assets and goodwill acquired in connection with the Combination and their carrying value as of June 30, 2025.

	Combination Date Fair Value	Impairment	Translation Adj	Carrying Value as of June 30, 2025
Halneuron® for Cancer Related Pain	$ 59,900,000	$ —	$ (169,287)	$ 59,730,713
Halneuron® for Chemotherapy Induced Neuropathic Pain	9,600,000	—	(27,131)	9,572,869
Total in-process research and development (IPR&D)	$ 69,500,000	$ —	$ (196,418)	$ 69,303,582
Goodwill	$ 12,493,727	$ —	$ (35,344)	$ 12,458,383

Intangible asset fair values for the two IPR&D programs were determined using the Multi-Period Excess Earnings Method ("MPEEM") which is a form of the income approach. Under the MPEEM, the fair value of an intangible asset is equal to the present value of the asset's incremental after-tax cash flows (excess earnings) remaining after deducting the market rates of return on the estimated value of contributory assets (contributory charge) over its remaining useful life. To calculate fair value of acquired IPR&D programs under the MPEEM, the Company uses probability-weighted cash flows discounted at a rate considered appropriate given the significant inherent risks associated with drug development by development-stage companies. Cash flows were calculated based on estimated projections of revenues and expenses related to each program and then reduced by a contributory charge on requisite assets employed. Contributory assets included debt-free working capital, net fixed assets and assembled workforce. Rates of return on the contributory assets were based on rates used for comparable market participants. Cash flows were assumed to extend through the market exclusivity period estimated to be provided by trade-secrets and patents for the synthetic manufacture of drug product. The resultant cash flows were then discounted to present value using a weighted-average cost of equity capital for companies with profiles substantially similar to that of each acquired IPR&D program, which the Company believes represents the rate that market participants would use to value the assets. The Company compensated for the phase of development of each program by probability-adjusting its estimation of the expected future cash flows. The projected cash flows were based on significant assumptions, such as the time and resources needed to complete the development and approval of each IPR&D program, estimates of revenue and operating profit related to the program considering its stage of development, the life of the potential commercialized product and associated risks, including the inherent difficulties and uncertainties in drug development, such as obtaining marketing approval from the FDA and other regulatory agencies, and risks related to the viability of and potential alternative treatments in any future target markets.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information reflects the consolidated results of operations of the Company for the three and six months ended June 30, 2024 as if the Combination had taken place on January 1, 2024. The unaudited pro forma financial information is not necessarily indicative of the results of operations as they would have been had the transactions been effected on the assumed date.

(In thousands)	Three months ended June 30, 2024	Six months ended June 30, 2024
Net revenues	$ —	$ —
Net loss before taxes	$ (2,451,151)	$ (5,163,258)

4 Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	June 30, 2025	December 31, 2024
Prepaid insurance	**$ 347,811**	$ 667,257
Prepaid clinical research costs	**795,724**	835,603
Prepaid franchise taxes	**81,400**	—
Prepaid travel	**16,417**	96,749
Prepaid accounting fees	**—**	55,525
Prepaid services	**16,617**	13,373
Other miscellaneous current assets	**43,516**	28,006
	1,301,485	1,696,513
Long-term		
Security deposit on leased premises	**19,125**	18,133
	$ 1,320,610	$ 1,714,646

5 Property and Equipment

Property and equipment consist of the following:

	June 30, 2025	December 31, 2024
Computer equipment	**$ 6,277**	$ 5,952
Office furniture and equipment	**13,116**	12,435
Total property and equipment, at cost	**19,393**	18,387
Less: Accumulated depreciation and amortization	**(3,214)**	(1,576)
Property and equipment, net	**$ 16,179**	$ 16,811

6 License Agreement

The Company entered into a Know-How License Agreement (the “Agreement”) with the University of Alabama (“UA”) in 2012. In consideration for the Agreement, UA received a 10% non-voting membership interest in the Company. Upon the adoption of the Second Amended and Restated Operating Agreement (the “Amended Operating Agreement”) on May 1, 2020, the non-voting membership interest converted to a voting membership interest. In conjunction with the Corporate Conversion, all of the Company’s outstanding membership interest converted into shares of Common Stock. The Agreement is in effect for 25 years and will terminate on June 1, 2037.

7 Accrued Expenses

Accrued expenses consist of the following:

	June 30, 2025	December 31, 2024
Accrued interest on preferred members’ interests and related party loan	**$ 188,085**	$ 417,539
Accrued compensation	**496,448**	737,281
Accrued clinical research costs	**446,942**	611,741
Accrued professional fees	**174,395**	97,093
Accrued director fees	**—**	30,054
Other miscellaneous accrued expenses	**26,704**	1,127
	$ 1,332,574	$ 1,894,835

8 Leases

In connection with the Combination, the Company acquired a right-of-use asset which was revalued at the date of the Combination. Pharmagesic has obtained the right to control the use of office premises for a period of time through a lease arrangement. The lease arrangement was negotiated on an individual basis and contains a wide range of different terms and conditions including lease payments and remaining lease terms to August 31, 2028. The lease arrangement does not impose any covenants other than the security interests in the leased asset that is held by the lessor. The Company maintains a security deposit totaling $19,125 and $18,133 as of June 30, 2025 and December 31, 2024, respectively.

There were no additions or extensions to the right-of-use asset during the six months ended June 30, 2025. Total cash outflows for the lease were $32,153 and $63,160 for the three and six months ended June 30, 2025, respectively, and these costs were included in net cash used in operating activities.

The following table presents the components of the lease costs included in general and administrative expenses in the statements of operations for the three and six months ended June 30, 2025:

Component of lease cost	Three months ended June 30, 2025	Six months ended June 30, 2025
Operating lease cost	$ 16,689	$ 32,783
Variable lease cost	8,795	22,448
Total lease expense	$ 25,484	$ 55,231

Future minimum annual commitments under the operating leases are as follows:

Year ending June 30,	
2025	$ 66,937
2026	68,024
2027	69,219
2028	6,302
Total lease payments	210,482
Less: amount representing interest	(23,492)
Present value of net minimum lease payments	$ 186,990
Less: current obligations	(54,496)
Long-term obligations under leases	$ 132,494

Other information related to this operating lease and the calculation of related right-of-use assets and operating lease liabilities consists of the following:

	June 30, 2025
Cash paid for amounts included in the measurement of lease liabilities	$ 63,160
Weighted-average remaining lease term (in years) - operating leases	3.2
Weighted-average discount rate - operating leases	7.82%

9 Promissory Note with Related Party

On October 7, 2024, in connection with the Exchange Agreement, the Company entered into a Loan Agreement (the “Loan Agreement”) with Conjoint Inc., a Delaware corporation (“Lender”) and an affiliate of CKLS. Pursuant to the Loan Agreement, Lender agreed to make a loan to the Company in the aggregate principal amount of $19,500,000, of which (i) $16,500,000 was disbursed on October 7, 2024 and (ii) $3,000,000 was disbursed on February 18, 2025. Pursuant to the terms of the Loan Agreement, the proceeds

are to be used for the purpose of (1) funding operations and (2) performing clinical and research & development activities related to Halneuron®. The Loan Agreement bore interest at the Secured Overnight Financing Rate ("SOFR") plus 2.00%, that increases by 1.00% in the event of default that resets on an annual basis on October 1st. The Loan Agreement was payable in full with principal and accrued interest on October 7, 2027. The promissory note was recorded net of issuance costs of $1,177,355. The issuance costs were being amortized to interest expense using an effective interest rate of 7.82%. For the three and six months ended June 30, 2025, the Company recognized interest expense of $0 and $197,437, respectively, and amortization of issuance costs of $0 and $52,373, respectively, in the accompanying condensed consolidated statement of operations and comprehensive loss.

On March 12, 2025, the Company entered into the Exchange and Cancellation Agreement with the Lender. Pursuant to the Exchange and Cancellation Agreement, the principal amount of all loans made to the Company under the Loan Agreement, along with accrued interest through March 12, 2025 (as of such date, an aggregate of $19,926,891), was deemed repaid and all of the Company's obligations satisfied in full and cancelled in exchange for 284.2638 shares of the Company's Series A-1 Non-Voting Convertible Preferred Stock, par value $0.0001 per share (the "Series A-1 Preferred Stock"), based on a price per underlying share of common stock of $7.01. The price was determined by reference to the average Nasdaq Official Closing Price of the Company's common stock for the five trading days immediately prior to the signing of the Exchange and Cancellation Agreement. Each share of Series A-1 Preferred Stock in convertible into 10,000 shares of common stock, subject to certain conditions set forth in the Series A-1 Preferred Stock Certificate of Designation ("Series A-1 Certificate of Designation"), as discussed below.

The Company evaluated the transaction in accordance with ASC 470-50-40 Debt Modifications and Extinguishment. As such, the Company recognized a loss on the debt extinguishment that was charged to other expense in the accompanying condensed consolidated statements of operations and comprehensive income of $6,134,120. The loss was determined by the difference between the closing price of the Company's common stock of $11.13 on the transaction date to the price per share used to determine the conversion price of the debt, discounted for lack of marketability.

As of December 31, 2024, the Company evaluated the fair value of its related party note payable by analyzing the terms of the instrument in comparison to a synthetic credit rating and implied market cost of debt rate. Based on this evaluation, which included consideration of current rates and other terms available to the Company for similar debt instruments, the Company believes the fair value of the note is approximately $15.7 million.

10 Stockholders' Equity

Preferred Stock

The restated certificate of incorporation, as amended, of the Company permits its Board of Directors to issue up to 2,000,000 shares of preferred stock, par value of $0.0001 per share, in one or more series, to designate the number of shares constituting such series, and fix by resolution, the powers, privileges, preferences and relative, option or special rights thereof, including liquidation preferences and dividends, and conversion and redemption rights of each such series.

After given affect to the designation of Series A Preferred Stock and Series A-1 Preferred Stock, discussed below, the Company had 1,997,446 and 1,997,730 authorized and no issued and outstanding shares of preferred stock at June 30, 2025 and December 31, 2024, respectively.

Series A Preferred Stock

In October 2024, the Board of Directors designated 2,270 of the 2,000,000 shares of preferred stock to be Series A Preferred Stock. As of June 30, 2025, the Company has 2,270 authorized and 2,269.1494 issued and

outstanding shares of Series A Preferred Stock and as of December 31, 2024, the Company had 2,270 authorized and 2,213.8044 issued and outstanding shares of Series A Preferred Stock.

Except as otherwise required by law, the Series A Preferred Stock do not have voting rights. However, as long as any shares of Series A Preferred Stock are outstanding, the Company may not, without the affirmative vote of the holders of a majority of the then-outstanding shares of the Series A Preferred Stock, (i) alter or change adversely the powers, preferences or rights given to the Series A Preferred Stock or alter or amend the Series A Preferred Stock Certificate of Designation ("Series A Certificate of Designation"), amend or repeal any provision of, or add any provision to, the Charter or Amended and Restated Bylaws of the Company, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series A Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Charter or by merger, consolidation, recapitalization, reclassification, conversion or otherwise, (ii) issue further shares of Series A Preferred Stock, or increase or decrease (other than by conversion) the number of authorized shares of Series A Preferred Stock, (iii) prior to the Stockholder Approval (as defined in the Series A Certificate of Designation) or at any time while at least 30% of the originally issued Series A Preferred Stock remain issued and outstanding, consummate either: (A) any Fundamental Transaction (as defined in the Series A Certificate of Designation) or (B) any merger or consolidation of the Company with or into another entity or any stock sale to, or other business combination in which the stockholders of the Company immediately before such transaction do not hold at least a majority of the capital stock of the Company immediately after such transaction, or (iv) enter into any agreement with respect to any of the foregoing.

The Series A Preferred Stock shall rank on parity with the Common Stock as to distributions of assets upon liquidation, dissolution or winding-up of the Company, whether voluntarily or involuntarily.

Following stockholder approval of the Conversion Proposal, each share of Series A Preferred Stock will automatically convert into 10,000 shares of Common Stock, subject to certain limitations provided in the Series A Certificate of Designation, including that the Company shall not affect any conversion of Series A Preferred Stock into shares of Common Stock if, as a result of such conversion, such holder, together with its affiliates, would beneficially own more than a specified percentage of the total number of shares of Common Stock issued and outstanding immediately after giving effect to such conversion (the "Beneficial Ownership Limitation"); provided, however, that the Beneficial Ownership Limitation will not apply after the stockholder approval of the Change of Control Proposal and upon the occurrence of certain other events as set forth in the Series A Certificate of Designation. If at any time following the earliest of (a) Stockholder Approval, (b) the interim analysis of the Phase 2b study for Halneuron® proves futile, (c) Dogwood is delisted from Nasdaq, (d) the interim analysis of the Phase 2b study for Halneuron® is not completed by December 31, 2025, or (e) June 30, 2026, the Company fails to deliver to a holder of Series A Preferred Stock certificates representing shares of Common Stock or electronically deliver such shares, the Series A Preferred Stock is redeemable for cash at the option of the holder thereof at a price per share equal to the then-current Fair Value (as defined and described in the Series A Certificate of Designation) of the Series A Preferred Stock for any undeliverable shares.

Per the Series A Certificate of Designation, holders of Series A Preferred Stock were entitled to receive a PIK dividend accruing at a rate equal to five percent (5.0%) per annum payable in shares of Series A Preferred Stock on the date that was 180 days after the original issue date of the Series A Preferred Stock. As of March 31, 2025, the Company had accrued the full value of the dividend payable of $1,770,767. On April 7, 2025, 180 days after the original issue date, the Company issued an aggregate of 55.345 shares of Series A Preferred stock as a PIK dividend to the holders of Series A Preferred Stock.

Form of Repurchase Agreement

The terms of the Exchange Agreement provides that Sealbond has the right to exercise an option, but not an obligation, after the Closing and upon the occurrence of certain conditional events including continued listing

requirements, to acquire all of the Company's and its direct and indirect subsidiaries' intellectual property, rights, title, regulatory submissions, assignment of contracts, data and interests, as of the time of such acquisition, in and to tetrodotoxin and Halneuron®, in accordance with the terms and conditions of the form of Repurchase Agreement attached to the Exchange Agreement for a cash settlement value as defined in the agreement.

Contingent Value Rights Agreement

Concurrently with the Closing of the Combination, the Company entered into a contingent value rights agreement (the "CVR Agreement") with a rights agent (the "Rights Agent"), pursuant to which each holder of Common Stock as of October 17, 2024, including those holders receiving shares of Common Stock in connection with the Combination, was entitled to one contractual contingent value right (each, a "CVR") issued by the Company, subject to and in accordance with the terms and conditions of the CVR Agreement, for each share of Common Stock held by such holder as of 5:00 p.m. Eastern Daylight Time on October 17, 2024. The CVR Agreement has a term of seven years.

Each contingent value right entitles the holders (the "CVR Holders") thereof, in the aggregate, to 87.75% of any Upfront Payment (as defined in the CVR Agreement) or Milestone Payment (as defined in the CVR Agreement) received by the Company in a given calendar quarter.

The distributions in respect of the CVRs that become payable will be made on a quarterly basis and will be subject to a number of deductions, subject to certain exceptions or limitations, including but not limited to for certain taxes and certain out-of-pocket expenses incurred by the Company.

Under the CVR Agreement, the Rights Agent has, and CVR Holders of at least 30% of the CVRs then-outstanding have, certain rights to audit and enforcement on behalf of all CVR Holders. The CVRs may not be sold, assigned, transferred, pledged, encumbered or in any other manner transferred or disposed of, in whole or in part, other than as permitted pursuant to the CVR Agreement. The CVR Holders do not have the rights of a shareholder and do not have the ability to vote, rights to dividends, or other interests. The CVRs also establish certain restrictions of mergers and change in control activities, as defined in the agreement.

The Company determined that the fair value of the CVRs were immaterial on the date of issuance as well as at June 30, 2025 and December 31, 2024, as there were no imminent transactions to indicate value. The Company will evaluate the fair value of the CVRs at least annually on October 1 and whenever facts and circumstances indicate that their carrying amounts may have changed.

Series A-1 Preferred Stock

In March 2025, the Board of Directors designated 284.2638 shares of the preferred stock to be Series A-1 Preferred Stock. As of June 30, 2025, the Company has 284.2638 authorized, issued and outstanding shares of Series A-1 Preferred Stock. There were no authorized, issued and outstanding shares of Series A-1 Preferred stock at December 31, 2024.

The Series A-1 Preferred Stock shall rank on parity with the Common Stock as to distributions of assets upon liquidation, dissolution or winding-up of the Company, whether voluntarily or involuntarily.

Except as otherwise required by law, the Series A-1 Preferred Stock does not have voting rights. However, as long as any shares of Series A-1 Preferred Stock are outstanding, the Company may not, without the affirmative vote of the holders of a majority of the then-outstanding shares of the Series A-1 Preferred Stock, (i) alter or change adversely the powers, preferences or rights given to the Series A-1 Preferred Stock or alter or amend the Series A-1 Certificate of Designation, amend or repeal any provision of, or add any provision to, the Charter or Amended and Restated Bylaws of the Company, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series A-1 Preferred Stock, regardless of whether any of the foregoing actions shall be by means of

amendment to the Charter or by merger, consolidation, recapitalization, reclassification, conversion or otherwise, (ii) issue further shares of Series A-1 Preferred Stock, or increase or decrease (other than by conversion) the number of authorized shares of Series A-1 Preferred Stock, (iii) prior to the Stockholder Approval (as defined in the Series A-1 Certificate of Designation) or at any time while at least 30% of the originally issued Series A-1 Preferred Stock remains issued and outstanding, consummate either: (A) any Fundamental Transaction (as defined in the Series A-1 Certificate of Designation) or (B) any merger or consolidation of the Company with or into another entity or any stock sale to, or other business combination in which the stockholders of the Company immediately before such transaction do not hold at least a majority of the capital stock of the Company immediately after such transaction, or (iv) enter into any agreement with respect to any of the foregoing.

Following the stockholder approval of the conversion of Series A-1 Preferred Stock into shares of Common Stock in accordance with the listing rules of the Nasdaq Stock Market, each share of Series A-1 Preferred Stock will automatically convert into 10,000 shares of Common Stock, subject to the Beneficial Ownership Limitation discussed above for the Series A Preferred Stock.

Common Stock

The Company's certificate of incorporation, adopted on December 16, 2020, and subsequently amended, authorizes the issuance of 43,000,000 shares of Common Stock with a par value of $0.0001 per share.

Registered Direct Offering

On March 12, 2025, the Company entered into an agreement with Maxim Group LLC as placement agent in connection with the issuance and sale by the Company in a registered direct offering of 578,950 shares of our Common Stock at a price of $8.26 per share (the "March 2025 Offering"), pursuant to an effective shelf registration statement on Form S-3 (File No. 333-263700). The March 2025 Offering closed on March 14, 2025, and the gross proceeds from the March 2025 Offering were approximately $4.78 million. The net proceeds of the March 2025 Offering were approximately $4.25 million after deducting placement agent fees and offering expenses payable by the Company.

11 Related Parties

The Company uses Gendreau Consulting, LLC, a consulting firm ("Gendreau"), for drug development, clinical trial design and planning, implementation and execution of contracted activities with the clinical research organization. Gendreau's managing member is the Company's Chief Medical Officer ("CMO"). From time to time, the Company contracts the services of the CMO's spouse through Gendreau to perform certain activities in connection with the Company's ongoing clinical development of its product candidates. In the past, the Company has contracted the CMO's spouse to serve as the Company's Medical Monitor. Currently, the Company has contracted the services of the CMO's spouse to serve as the Company's Chief Safety Officer for the HALT-CINP-203 clinical trial. In addition, the Company has contracted the services of the CMO's daughter to serve as an assistant for various clinical site related activities. During the three and six months ended June 30, 2025 and 2024, the Company paid Gendreau $52,000 and $240,577, respectively and $0 and $1,383, respectively, and had accounts payable of $26,488 and $21,260 to Gendreau as of June 30, 2025 and December 31, 2024, respectively. See Note 9 – "Promissory Note with Related Party" for discussion of related party promissory note with Conjoint Inc.

12 Commitments and Contingencies

Litigation and Other

The Company is subject, from time to time, to claims by third parties under various legal disputes. The defense of such claims, or any adverse outcome relating to any such claims, could have a material adverse effect on the Company's liquidity, financial condition and cash flows. Although the results of litigation and claims

cannot be predicted with certainty, we do not currently have any pending or ongoing litigation to which we are a party or to which our property is subject that we believe to be material.

13 Share-based compensation

Equity Incentive Plan

On June 18, 2025, the stockholders of the Company approved Amendment No. 2 to the Amended and Restated 2020 Equity Incentive Plan (the "Plan") to increase the total number of shares of Common Stock reserved for issuance under the Plan by 108,612 shares to 191,112 total shares issuable under the Plan. As of June 30, 2025, 182 shares of Common Stock were available for future grants under the Plan. On June 27, 2025, the Board approved a further amendment to the Plan which removed the annual individual grant limit of 20,000 shares.

The table below sets forth the outstanding options to purchase shares of Common Stock under the Plan:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
Outstanding at December 31, 2024	81,077	$ 98.93	7.39
Granted	109,853	4.71	—
Exercised	—	—	—
Outstanding at June 30, 2025	190,930	$ 44.72	8.68
Exercisable at June 30, 2025	76,744	$ 104.12	6.86

During the six months ended June 30, 2025, the Company granted certain individuals options to purchase 109,853 shares of the Company's Common Stock with an average exercise price of $4.711 per share, contractual terms of 10 years and vesting periods ranging from 100% after one year to 33.333% after one year and the remaining 66.667% in 24 equal monthly installments, thereafter. The options had an aggregate grant date fair value of $413,950 that was calculated using the Black-Scholes option-pricing model. Variables used in the Black-Scholes option-pricing model included: (1) discount rates ranging from 3.88% to 4.0275% based on the daily par yield curve rates for U.S. Treasury obligations, (2) expected lives ranging from 5.5 years 6.0 years based on the simplified method (vesting plus contractual term divided by two), (3) expected volatility ranging from 96.92% to 99.57% based on the average historical volatility of comparable companies' stock, (4) no expected dividends and (5) fair market value of the Company's stock ranging from $4.71 to $4.80 per share.

During the six months ended June 30, 2024, the Company granted certain individuals options to purchase 15,031 shares of the Company's Common Stock with an average exercise price of $8.925 per share, contractual terms of 10 years and a vesting period of one year. The options had an aggregate grant date fair value of $105,931 that was calculated using the Black-Scholes option-pricing model. Variables used in the Black-Scholes option-pricing model included: (1) discount rate of 4.2975% based on the daily par yield curve rates for U.S. Treasury obligations, (2) expected life of 5.5 years based on the simplified method (vesting plus contractual term divided by two), (3) expected volatility of 100.76% based on the average historical volatility of comparable companies' stock, (4) no expected dividends and (5) fair market value of the Company's stock of $8.925 per share.

As of June 30, 2025 the aggregate intrinsic value of options outstanding was $6,490.

The Company recognized share-based compensation expense related to stock options during the three and six months ended June 30, 2025 and 2024, of $65,027 and $149,501, respectively, and $148,948 and $287,917, respectively. The unrecognized compensation expense for stock options at June 30, 2025 was $433,190.

Stock Options for Unregistered Securities

In addition to the stock options issued under the Plan, and in conjunction with the IPO, the Company granted non-qualified stock options to purchase 11,700 shares of Common Stock as provided for in the employment agreement of our former President, Richard Burch (the "President Options"). The President Options are exercisable within 10 years of the date of grant at $250.00 per share, were 100% vested at the grant date and have a remaining contractual term of 5.47 years. As of June 30, 2025, there was no unrecognized compensation expense related to these options as they were 100% vested upon issuance. The shares of Common Stock issuable upon exercise of the President Options will be unregistered, and the option agreement does not include any obligation on the part of the Company to register such shares of Common Stock. Consequently, the Company has not recognized a contingent liability associated with registering the securities for the arrangement. As of June 30, 2025, the aggregate intrinsic value of the President Options was $0.

Underwriters Warrants

In conjunction with the IPO, the Company granted the underwriters warrants to purchase 6,900 shares of Common Stock at an exercise price of $312.50 per share. The warrants became 100% exercisable on December 21, 2021.

In conjunction with the Offering in September 2022, the Company granted the Underwriter warrants to purchase 20,000 shares of Common Stock at an exercise price of $15.625 per share (the "Representative Warrants"). The Representative Warrants became 100% exercisable on March 18, 2023.

There were no warrant exercises for the six months ended June 30, 2025 and 2024 and there is no unrecognized compensation expense for these awards as of June 30, 2025.

The table below sets forth the outstanding warrants to purchase common shares:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
Outstanding at December 31, 2024	7,755	$ 279.77	1.15
Granted	—	—	—
Outstanding at June 30, 2025	7,755	$ 279.77	0.66
Exercisable at June 30, 2025	7,755	$ 279.77	0.66

As of June 30, 2025, the aggregate intrinsic value of the warrants outstanding was $0.

14 Income Taxes

As of result of the Combination discussed above, the Company acquired operations in Canada. The foreign loss before taxes and the deferred tax expense disclosed below relates to the Company's new operations in Canada.

For the three and six months ended June 30, 2025 and 2024, the domestic and foreign components of net loss before income taxes are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
United States	**$ (3,048,652)**	$ (1,049,833)	**$ (13,375,644)**	$ (2,341,168)
Foreign	**(758,552)**	—	**(1,165,970)**	—
Loss before income taxes	**$ (3,807,204)**	$ (1,049,833)	**$ (14,541,614)**	$ (2,341,168)

The Company recorded a deferred tax expense of $149 and $190,691 for the three and six months ended June 30, 2025. There was no deferred tax expense (benefit) for the three and six months ended June 30, 2024. The components of the deferred tax expense are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Domestic	$ —	$ —	$ —	$ —
Foreign	149	—	190,691	—
	$ 149	$ —	$ 190,691	$ —

As of December 31, 2024, the Company had U.S. federal net operating loss carryforwards of approximately $36,669,000, which have an indefinite carryforward and Georgia and Florida state net operating loss carryforwards of approximately $44,443,000 and $1,372,000, respectively, which have a twenty-year carryforward and begin expiring in 2037. As of December 31, 2024, the Company had Canadian non-capital loss carryforwards of approximately $25,277,000, which have a twenty year carryforward and begin expiring in 2025 and Hong Kong tax losses carryforwards or approximately $58,126,000 which have no expiry.

On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted. The OBBBA requires adjustments to existing deferred tax assets and liabilities based on new tax rates and provisions. The effects of the OBBBA will be recognized in the Company’s third quarter 2025 financial statements. Since the Company has substantial net operating loss carryforwards and has a full valuation allowance for its domestic deferred tax assets, the Company does not believe there will be a material impact to the Company’s consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. See our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Security and Exchange Commission ("SEC") on March 31, 2025 (the "2024 Annual Report on Form 10K"), under "Risk Factors", available on the SEC EDGAR website at www.sec.gov, Part II, and Item 1A of the report, for a discussion of the uncertainties, risks and assumptions associated with these statements. Actual results and the timing of events could differ materially from those discussed in our forward-looking statements as a result of many factors, including those risks noted above.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements", within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "objective," "ongoing," "plan," "predict," "project," "potential," "should," "will," or "would," and or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements, including the risks set forth in the 2024 Annual Report on Form 10-K. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain.

The forward-looking statements contained in this Quarterly Report on Form 10-Q include, among other things, statements about:

- our business strategies;
- our ability to obtain regulatory approval of our product candidate and any other product candidates we may develop, and the labeling under any regulatory approval we may obtain;
- risks relating to the timing and costs of clinical trials and the timing and costs of other expenses;
- timing and likelihood of success of our clinical trials and regulatory approval of our product candidates;
- risks associated with our reliance on third-party organizations;
- our competitive position;
- assumptions regarding the size of the available market, product pricing and timing of commercialization of our product candidates, if approved;
- our intellectual property position and our ability to maintain and protect our intellectual property rights;
- our results of operations, financial condition, liquidity, prospects, and growth strategies;
- our strategies to maintain the listing of our common stock;

- our cash needs and financing plans;
- the fluctuations in the exchange rates in the United States dollar versus the Canadian dollar;
- the industry in which we operate; and
- the economic trends that may affect the industry or us.

Overview

We are a pre-revenue, development-stage biopharmaceutical company focused on developing new medicines to treat pain and fatigue-related disorders. Our pipeline is focused on two separate pillars: Na_v 1.7 modulation to treat chronic and acute pain disorders and combination antiviral therapies targeting reactivated herpes virus mediated illnesses. The proprietary non-opioid Na_V 1.7 analgesic program is centered on our lead development candidate Halneuron®, which is a voltage-gated sodium channel modulator, a mechanism known to be effective for reducing pain. The antiviral program includes IMC-1 and IMC-2, which are novel, proprietary, fixed dose combinations of nucleoside analog, anti-herpes antivirals and the anti-inflammatory agent celecoxib for the treatment of FM and LC.

Na_v 1.7 Non-Opioid Analgesic Program

Our lead product candidate, Halneuron®, is in Phase 2b clinical development for the treatment of chemotherapy-induced neuropathic pain ("CINP") ("HALT-CINP-203"). The active pharmaceutical ingredient is highly purified Tetrodotoxin ("TTX"), a potent sodium channel modulator found in the ovaries of puffer fish and several other marine animals. Halneuron® works as an analgesic by modulating the activity of Na_v1.7, a key sodium channel located in the peripheral nervous system involved in pain signal transmission. By reducing the activity of the Na_v1.7 channel, Halneuron® has the potential to reduce pain associated with conditions involving neuropathic pain, chronic pain and acute forms of pain.

In the first quarter of 2025, we commenced dosing of patients in the HALT-CINP-203 clinical trial in the United States. HALT-CINP-203 is a double-blind, placebo controlled clinical trial to access the efficacy and safety of Halneuron® in approximately 200 patients with moderate to severe neuropathic pain caused by previous platinum and/or taxane based chemotherapy. The primary efficacy endpoint is the change from baseline to week 4 in the weekly average of daily 24-hour recall pain intensity scores, comparing Halneuron® to the placebo. The secondary endpoints include patient global impression of change, PROMIS fatigue, PROMIS sleep, PROMIS-29, pain interference, hospital anxiety and depression scale and neuropathic pain symptom inventory. We expect to conduct an interim analysis of data from approximately 40-50% of the patients enrolled in HALT-CINP-203 in the fourth quarter of 2025. The planned interim analysis is designed to explore one of four possible outcomes, (i) early stopping due to achievement of statistically significant pain reduction with the smaller sample size, (ii) a futility determination, (iii) a recommendation to continue the study to the planned sample size of 200 total patients, or (iv) a recommendation to increase the HALT-CINP patients sample size based on the Halneuron® observed treatment effect size versus placebo at the interim analysis. Top-line data from the trial are expected in the second-half of 2026.

Antiviral Program

Concurrent with the Combination in October 2024, Halneuron® became our lead program and the primary focus of our day-to-day operations. However, we continue to explore the best options to advance development of IMC-1 and IMC-2 which are novel, proprietary, fixed dose combinations of nucleoside analog, anti-herpes antivirals and the anti-inflammatory agent celecoxib. IMC-1 is a novel combination of famciclovir and celecoxib intended to synergistically suppress herpesvirus activation and replication, with the end goal of reducing a patient's viral mediated disease burden. IMC-2 is a combination of valacyclovir and celecoxib that like IMC-1, is intended to synergistically suppress herpesvirus activation and replication with a more specific activity against the Epstein-Barr virus (herpesvirus HHV-4). We have reached agreement with FDA on the primary endpoint of

fatigue reduction as an approvable endpoint for new Long-COVID development candidates, such as IMC-2. Based on prior research and support from key opinion leaders in the infectious disease community, we continue to believe IMC-2 holds great value for reducing the fatigue associated with Long-COVID illness. However, recent 40% National Institute of Health budget cuts, including research funding related to COVID and Long-COVID illness, create less certainty as regards to funding and potential partnership of the IMC-2 program. Unmet medical need related to fibromyalgia remains high, and finding an IMC-1 Phase 3 program partner remains one of our top business development priorities.

Exchange and Cancellation Agreement

On October 7, 2024, the Company entered into a Loan Agreement (the "Loan Agreement") with Conjoint Inc., a Delaware corporation ("Lender"). Pursuant to the Loan Agreement, Lender agreed to make a loan to the Company in the aggregate principal amount of $19,500,000, of which (i) $16,500,000 was disbursed on October 7, 2024 and (ii) $3,000,000 was disbursed on February 18, 2025. Prior to the Debt Exchange and Cancellation Transaction described below, the Loan Agreement bore interest at the Secured Overnight Financing Rate ("SOFR") plus 2.00%. The Loan Agreement was payable in full with principal and accrued interest on October 7, 2027.

On March 12, 2025, we entered into a Debt Exchange and Cancellation Agreement (the "Exchange and Cancellation Agreement") with Lender. Pursuant to the Exchange and Cancellation Agreement, the principal amount of all loans made to the Company under the Loan Agreement, along with accrued interest through March 12, 2025, was deemed repaid and all of the Company's obligations satisfied in full and cancelled in exchange for 284.2638 shares of the Company's Series A-1 Non-Voting Convertible Preferred Stock, par value $0.0001 ("Series A-1 Preferred Stock" and such transaction, the "Debt Exchange and Cancellation Transaction"). Following the stockholder approval of the conversion of Series A-1 Preferred Stock into shares of Common Stock in accordance with the listing rules of the Nasdaq Stock Market, each share of Series A-1 Preferred Stock will automatically convert into 10,000 shares of Common Stock.

Registered Direct Offering

On March 12, 2025, we entered into an agreement with Maxim Group LLC as placement agent in connection with the issuance and sale by the Company in a registered direct offering of 578,950 shares of our Common Stock at a price of $8.26 per share (the "March 2025 Offering"), pursuant to an effective shelf registration statement on Form S-3 (File No. 333-263700). The March 2025 Offering closed on March 14, 2025, and the gross proceeds from the March 2025 Offering were approximately $4.78 million. The net proceeds of the March 2025 Offering were approximately $4.25 million after deducting placement agent fees and offering expenses payable by the Company.

Results of Operations

Below is a summary of the results of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating expenses:	(Unaudited)		(Unaudited)	
Research and development	$ 2,569,943	$ 336,084	$ 5,006,941	$ 679,801
General and administrative	1,353,172	733,740	3,346,100	1,704,124
Total operating expenses	$ 3,923,115	$ 1,069,824	$ 8,353,041	$ 2,383,925

Three and Six Months Ended June 30, 2025 and 2024

Research and Development Expenses

Research and development expenses increased by $2.2 million and $4.3 million for the three and six months ended June 30, 2025, respectively, compared to prior periods. The increase of $2.2 million for the three months ended June 30, 2025 was primarily due to the impact of the Combination including increases in expenses related to the ongoing HALT-CINP-203 clinical trial of $1.6 million, drug development and manufacturing costs of $0.5 million, and salaries and related personnel costs of $0.2 million offset by a decrease in regulatory costs of $0.1 million. The increase in expenses of $4.3 million for the six months ended June 30, 2025 compared to the prior year period was also primarily due to the impact of the Combination including increases in expenses for clinical trials of $3.4 million related to the HALT-CINP-203 study, drug development and manufacturing costs of $0.6 million and salaries and related personnel costs of $0.4 million offset by a decrease in regulatory costs of $0.1 million.

General and Administrative Expenses

General and administrative expenses increased by $0.6 million and $1.6 million for the three and six months ended June 30, 2025, respectively, compared to prior periods. The increase of $0.6 million for the three months ended June 30, 2025 was primarily due to increases in expenses for legal and professional fees of $0.2 million, salaries and related personnel costs of $0.2 million, expenses associated with being a public company of $0.1 million and other general and administrative costs of $0.1 million. The increase in expenses of $1.6 million for the six months ended June 30, 2025 compared to the prior year period was primarily due to increases in expenses for legal and professional fees of $0.8 million related to the Combination, franchise tax fees of $0.2 million, salaries and related personnel costs of $0.5 million and other general and administrative costs of $0.1 million.

Liquidity and Capital Resources

Since our inception, we have financed our operations through public offerings of common stock and proceeds from private placements of membership interests and convertible promissory notes. To date, we have not generated any revenue from the sale of products and we do not anticipate generating any revenue from the sales of products for the foreseeable future. We have incurred losses and generated negative cash flows from operations since inception. As of June 30, 2025, our principal source of liquidity was our cash, which totaled $13.4 million.

The global economy, including credit and financial markets, has experienced extreme volatility and disruptions including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, increases in inflation rates and uncertainty about economic stability. For example, the ongoing conflicts between Israel-Hamas and Ukraine-Russia, the effect of these wars and the resulting sanctions by the U.S. and European governments, has created extreme volatility in the global capital markets and is expected to have further global economic consequences, including

disruptions of the global supply chain and energy markets. Any such volatility and disruptions may have adverse consequences on us or the third parties on whom we rely. If the equity and credit markets deteriorate, including as a result of political unrest or war, it may make any necessary debt or equity financing more difficult to obtain in a timely manner or on favorable terms, if at all.

Equity Financings

On March 14, 2025, we closed a registered direct offering of 578,950 shares of our Common Stock, raising gross proceeds of approximately $4.78 million and net proceeds of approximately $4.25 million, after deducting placement agent fees and offering expenses.

On May 22, 2024, we closed a public offering of 340,000 shares of our Common Stock, raising gross proceeds of $1.7 million and net proceeds of approximately $1.4 million, after deducting placement agent fees and offering expenses.

Debt Financings

On February 18, 2025, we received $3,000,000 in loan proceeds pursuant the Loan Agreement dated October 7, 2024 with the Lender. There were no debt financings during the three and six months ended June 31, 2024. There was no debt outstanding at June 30, 2025 due to the Debt Exchange and Cancellation Transaction discussed above. At December 31, 2024, the debt with related party, net of issuance costs was $15,381,077.

Future Capital Requirements

We anticipate our cash on hand at June 30, 2025 of approximately $13.4 million will fund operations through the first quarter of 2026. The Company will need to secure additional financing to fund its ongoing clinical trials and operations beyond the first quarter of 2026 to continue to execute its strategy. We will need to finance our cash needs through public or private equity offerings, debt financings, collaboration and licensing arrangements or other financing alternatives. To the extent that we raise additional funds by issuing equity or equity-linked securities, our shareholders will experience dilution. We can give no assurances that we will be able to secure such additional sources of funds to support our operations, or, if such funds are available to us, that such additional financing will be sufficient to meet our needs. As a result, substantial doubt exists regarding our ability to continue as a going concern 12 months from the issuance of this Quarterly Report on Form 10-Q. Failure to secure the necessary financing in a timely manner and on favorable terms could have a material adverse effect on the Company's strategy and value and could require the delay of product development and clinical trial plans.

Summary of Cash Flows

The following table summarizes our cash flows for the six months ended June 30, 2025 and 2024, respectively:

	Six Months Ended June 30,	
	2025	2024
	(Unaudited)	
Statement of Cash Flows Data:		
Net cash (used in) provided by:		
Operating activities	$ **(8,708,672)**	$ (1,749,160)
Financing activities	**7,252,245**	1,452,397
Decrease in cash	$ **(1,456,427)**	$ (296,763)

Cash Flows for the Six Months Ended June 30, 2025 and 2024

Operating Activities

For the six months ended June 30, 2025, net cash used in operations was $8.7 million and consisted of a net loss of $14.7 million and a net change in operating assets and liabilities of $0.5 million attributable to a decrease in accounts payable and accrued liabilities of $0.9 million offset by a decrease in prepaid expenses and other current assets of $0.4 million further offset by non-cash items of $6.5 million attributable to loss on conversion of debt with related party of $6.1 million, deferred tax expense of $0.2 million and share-based compensation, depreciation and amortization of $0.2 million.

For the six months ended June 30, 2024, net cash used in operations was $1.7 million and consisted of a net loss of $2.3 million offset by a net change in operating assets and liabilities of $0.3 million attributable to an increase in accounts payable and accrued liabilities of $0.1 million and a decrease in prepaid expenses and other current assets of $0.2 million and non-cash items of $0.3 million attributable to share-based compensation.

Financing Activities

Net cash provided by financing activities during the six months ended June 30, 2025 was $7.3 million and was attributable to cash proceeds from the Loan Agreement of $3.0 million and gross proceeds from our registered direct offering in March 2025 of $4.8 million, net of placement agent fees and offering costs paid by us during the six months ended June 2025 of $0.5 million.

Net cash provided by financing activities during the six months ended June 30, 2024 was $1.4 million and was attributable to cash proceeds from our public offering in May 2024, net of placement agent fees and offering costs paid by us during the six months ended June 2024 of $0.3 million.

Off-Balance Sheet Arrangements

As of June 30, 2025, we did not have any off-balance sheet arrangements or relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities.

Discussion of Critical Accounting Policies and Significant Judgements and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to use judgment in making certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Critical accounting policies are those that are most important to the portrayal of our financial condition and results of operations and require difficult, subjective and complex judgments by management in order to make estimates about the effect of matters that are inherently uncertain. During the six months ended June 30, 2025, there were no significant changes to our critical accounting policies from those described in our annual financial statements for the year ended December 31, 2024, which we included in our 2024 Annual Report on Form 10-K.

JOBS Act

On April 5, 2012, the Jumpstart Our Business Startups Act of 2012, or JOBS Act, was signed into law. The JOBS Act contains provisions that, among other things, reduce certain reporting requirements for an “emerging growth company.” As an “emerging growth company,” we are electing to take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards.

Subject to certain conditions set forth in the JOBS Act, as an “emerging growth company,” we are not required to, among other things, (i) provide an auditor’s attestation report on our system of internal controls

over financial reporting pursuant to Section 404, (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act, (iii) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis), and (iv) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation. These exemptions will apply until December 31, 2025, which is the last day of the fiscal year following the fifth anniversary of the completion of our IPO, or until we no longer meet the requirements for being an "emerging growth company," whichever occurs first.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

This item is not required for smaller reporting companies.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. 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 controls and procedures.

Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective in ensuring that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules, regulations and forms of the SEC, including ensuring that such material information is accumulated by and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(f) of the Exchange Act that occurred during the quarter covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

From time to time we may be involved in claims that arise during the ordinary course of business. Regardless of the outcome, litigation can be costly and time consuming, and it can divert management's attention from important business matters and initiatives, negatively impacting our overall operations. Although the results of litigation and claims cannot be predicted with certainty, we do not currently have any pending or ongoing litigation to which we are a party or to which our property is subject that we believe to be material.

Item 1A. Risk Factors

There are no material changes from risk factors as previously disclosed in our 2024 Annual Report on Form 10-K. You should carefully consider the risk factors discussed in Part I, "Item 1A. Risk Factors" in our 2024 Annual Report on Form 10-K which could materially affect our business, financial condition or future results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

During the six months ended June 30, 2025, no director or "officer" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

See Exhibit Index.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Certificate of Designation of Series A-1 Non-Voting Convertible Preferred Stock of Dogwood Therapeutics, Inc. dated March 12, 2025 (incorporated by reference herein from Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 12, 2025).
3.2	Certificate of Validation dated May 8, 2025, together with Certificate of Designation of Series A Preferred Stock, effective October 7, 2024, all as filed in the Office of the Delaware Secretary of State on May 8, 2025 (incorporated by reference herein from Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on May 9, 2025).
4.1	Specimen Certificate evidencing shares of the Registrant's common stock (incorporated by reference herein from Exhibit 4.1 to the Company's Registration Statement on Form S-1, filed with the SEC on October 16, 2020).
10.1†	Dogwood Therapeutics, Inc. Amended and Restated 2020 Equity Incentive Plan, as amended.
31.1†	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2†	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2†	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Resolutions adopted by the Board of Directors of the Company setting forth the information with respect to the Ratification required under Section 204 of the Delaware General Corporation Law (incorporated by reference herein from Exhibit 99.1 to the Company's Quarterly Report on Form 10-Q, filed with the SEC on May 9, 2025).
101.INS†	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH†	XBRL Taxonomy Extension Schema Document
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document
104†	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

† Filed 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, duly authorized.

Date: August 13, 2025

DOGWOOD THERAPEUTICS, INC.

By: /s/ Greg Duncan
Name: Greg Duncan
Title: Chairman of the Board of Directors and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Angela Walsh
Name: Angela Walsh
Title: Chief Financial Officer, Corporate Secretary and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 10.1

DOGWOOD THERAPEUTICS, INC.

AMENDED AND RESTATED 2020 EQUITY INCENTIVE PLAN

The purpose of the Dogwood Therapeutics, Inc. Amended and Restated 2020 Equity Incentive Plan (the "Plan") is to provide (i) designated employees of Dogwood Therapeutics, Inc. (the "Company") and its parents and subsidiaries, (ii) certain consultants and advisors who perform services for the Company or its parents or subsidiaries and (iii) non-employee members of the Board of Directors of the Company (the "Board") with the opportunity to receive grants of incentive stock options, nonqualified stock options, stock awards, stock units, stock appreciation rights and other equity-based awards. The Company believes that this Plan will encourage the participants to contribute materially to the growth of the Company, thereby benefitting the Company's stockholders, and will align the economic interests of the participants with those of the stockholders.

1. Administration and Delegation.

(a) Committee. This Plan shall be administered by a committee consisting of two or more members of the Board, which shall consist of "outside directors" as defined under section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and related Treasury regulations, "non-employee directors" as defined under Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and, when applicable, by "independent directors" as defined by the rules of any national securities exchange (the "Exchange") upon which shares of the Company's capital stock shall be listed. However, the Board may ratify or approve any grants as it deems appropriate, and the Board shall approve and administer all grants made to non-employee directors. The committee may delegate authority to one or more subcommittees as it deems appropriate. To the extent that a committee or subcommittee administers this Plan, references in this Plan to the "Board" shall be deemed to refer to the committee or subcommittee.

(b) Board Authority. The Board shall have the sole authority to (i) determine the individuals to whom grants shall be made under this Plan, (ii) determine the type, size and terms of the grants to be made to each such individual, (iii) determine the time when the grants will be made and the duration of any applicable exercise or restriction period, including the criteria for exercisability and the acceleration of exercisability, (iv) amend the terms of any previously issued grant, and (v) deal with any other matters arising under this Plan.

(c) Board Determinations. The Board shall have full power and authority to administer and interpret this Plan, to make factual determinations and to adopt or amend such rules, regulations, agreements and instruments for implementing this Plan and for the conduct of its business as it deems necessary or advisable, in its sole discretion. The Board's interpretations of this Plan and all determinations made by the Board pursuant to the powers vested in it hereunder shall be conclusive and binding on all persons having any interest in this Plan or in any awards granted hereunder. All powers of the Board shall be executed in its sole discretion, in the best interest of the Company, not as a fiduciary, and in keeping with the objectives of this Plan and need not be uniform as to similarly situated individuals.

(d) Delegation to Officers. To the extent permitted by applicable law, the Board may delegate to one or more officers of the Company the power to grant Options and other Grants that constitute rights under Delaware law (subject to any limitations under this Plan) to employees or officers of the Company and to exercise such other powers under this Plan as the Board may determine, provided that the Board shall fix the terms of such Grants to be granted by such officers (including the exercise price of such Grants, which may include a formula by which the exercise price will be determined) and the maximum number of shares subject to such Grants that the officers may grant; provided further, however, that no officer shall be authorized to grant such Grants to any "executive officer" of the Company (as defined by Rule 3b-7 under the Exchange Act) or to any "officer" of the Company (as defined by Rule 16a-1 under the Exchange

Act). Notwithstanding anything to the contrary set forth above, the Board may not delegate authority under this Section 1(d) to grant Stock Awards, unless Delaware law then permits such delegation.

2. Grants. Awards under this Plan may consist of grants of incentive stock options as described in Section 5 ("Incentive Stock Options"), nonqualified stock options as described in Section 5 ("Nonqualified Stock Options") (Incentive Stock Options and Nonqualified Stock Options are collectively referred to as "Options"), stock awards as described in Section 6 ("Stock Awards"), stock units as described in Section 7 ("Stock Units"), stock appreciation rights as described in Section 8 ("SARs"), and other equity-based awards as described in Section 9 ("Other Equity Awards"), the foregoing sometimes referred to herein collectively as "Grants" and individually as a "Grant." All Grants shall be subject to the terms and conditions set forth herein and to such other terms and conditions consistent with this Plan as the Board deems appropriate and as are specified in writing by the Board to the individual in a grant instrument or an amendment to the grant instrument (the "Grant Instrument"). All Grants shall be made conditional upon the acknowledgement of the Grantee (as defined in Section 4(b)), in writing or by acceptance of the Grant, that all decisions and determinations of the Board shall be final and binding on the Grantee, his or her beneficiaries and any other person having or claiming an interest under such Grant. Grants under a particular Section of this Plan need not be uniform as among the grantees.

3. Shares Subject to This Plan.

(a) Shares Authorized. Subject to adjustment as described below, the aggregate number of shares of common stock of the Company ("Company Stock") that may be issued pursuant to Grants under this Plan is 191,112 shares, each of which may be issued under this Plan as an Incentive Stock Option.

(b) Individual Limits. The maximum aggregate number of shares of Company Stock that shall be subject to Grants made under this Plan to any non-employee director, during any calendar year shall be 8,000 shares.

(c) Share Counting. If and to the extent Options or SARs granted under this Plan terminate, expire, or are canceled, forfeited, exchanged or surrendered without having been exercised or if any Stock Awards, Stock Units or Other Equity Awards are forfeited, the shares subject to such Grants shall again be available for purposes of this Plan. For purposes of clarification, (i) any shares of Common Stock that are tendered as payment or withheld to cover taxes due on a Grant shall not again be available for grant under the Plan, (ii) any shares of Common Stock that are repurchased by the Company using Option exercise proceeds shall not again be available for grant under the Plan, and (iii) stock-settled SARs shall be counted against the share reserve set forth in Section 3(a) above on a gross basis, regardless of the number of shares of Common Stock issued to settle the Grant.

(d) Adjustments. If there is any change in the number or kind of shares of Company Stock outstanding (i) by reason of a stock dividend, spinoff, recapitalization, stock split, or combination or exchange of shares, (ii) by reason of a merger, reorganization or consolidation, (iii) by reason of a reclassification or change in par value, or (iv) by reason of any other extraordinary or unusual event affecting the outstanding Company Stock as a class without the Company's receipt of consideration, or if the value of outstanding shares of Company Stock is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution, the maximum number of shares of Company Stock available for issuance under this Plan, the maximum number of shares of Company Stock for which any individual may receive Grants in any year, the kind and number of shares covered by outstanding Grants, the kind and number of shares issued and to be issued under this Plan, and the price per share or the applicable market value of such Grants shall be equitably adjusted by the Board to reflect any increase or decrease in the number of, or change in the kind or value of, issued shares of Company Stock to preclude, to the extent practicable, the enlargement or dilution of rights and benefits under such Grants;

provided, however, that any fractional shares resulting from such adjustment shall be eliminated. In addition, in the event of a Change of Control of the Company (as defined in Section 12(a)), the provisions of Section 13 of this Plan shall apply. Any adjustment to outstanding Grants shall be consistent with section 409A and section 424 of the Code, to the extent applicable. Any adjustments determined by the Board shall be final, binding and conclusive.

(e) Grants under the Plan shall be subject to a one-year minimum vesting requirement. Notwithstanding the foregoing, Grants which are not subject to the one-year minimum vesting requirement set forth in this Section 3(e) may be granted to an individual as an inducement to be hired as an Employee (as defined in Section 4(a)), provided that the total number of shares of Common Stock available to be granted or underlying such Grants pursuant to this sentence shall be less than five percent (5%) of the aggregate number of shares of Common Stock set forth in Section 3(a) above.

4. Eligibility for Participation.

(a) Eligible Persons. All employees of the Company and its parents or subsidiaries ("Employees"), including Employees who are officers or members of the Board, and members of the Board who are not Employees ("Non-Employee Directors") shall be eligible to participate in this Plan. Consultants and advisors, as such terms are defined and interpreted for purposes of Form S-8 under the Securities Act of 1933, as amended (the "Securities Act") (or any successor form or rule) who perform services for the Company or any of its parents or subsidiaries ("Key Advisors") shall be eligible to participate in this Plan.

(b) Selection of Grantees. The Board shall select the Employees, Non-Employee Directors and Key Advisors to receive Grants and shall determine the number of shares of Company Stock subject to a particular Grant in such manner as the Board determines. Employees, Key Advisors and Non-Employee Directors who receive Grants under this Plan shall hereinafter be referred to as "Grantees."

5. Options. The Board may grant Options to Employees, Non-Employee Directors, and Key Advisors upon such terms as the Board deems appropriate. The following provisions are applicable to Options:

(a) Number of Shares. The Board shall determine the number of shares of Company Stock that will be subject to each Grant of Options to Employees, Non-Employee Directors and Key Advisors.

(b) Type of Option and Price.

(i) The Board may grant Incentive Stock Options that are intended to qualify as "incentive stock options" within the meaning of section 422 of the Code or Nonqualified Stock Options that are not intended so to qualify or any combination of Incentive Stock Options and Nonqualified Stock Options, all in accordance with the terms and conditions set forth herein. Incentive Stock Options may be granted only to employees of the Company or its parents or subsidiaries, as defined in section 424 of the Code. Nonqualified Stock Options may be granted to Employees, Non-Employee Directors and Key Advisors.

(ii) The purchase price (the "Exercise Price") of Company Stock subject to an Option shall be determined by the Board and shall be equal to or greater than the Fair Market Value (as defined below) of a share of Company Stock on the date the Option is granted; provided, however, that an Incentive Stock Option may not be granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any parent or

subsidiary of the Company, unless the Exercise Price per share is not less than 110% of the Fair Market Value of Company Stock on the date of grant.

(iii) If the Company Stock is publicly traded, then the Fair Market Value per share shall be determined as follows: (x) if the principal trading market for the Company Stock is an Exchange, the last reported sale price thereof on the relevant date or (if there were no trades on that date) the latest preceding date upon which a sale was reported, or (y) if the Company Stock is not principally traded on an Exchange, the mean between the last reported "bid" and "asked" prices of Company Stock on the relevant date, as reported on the Exchange or, if not so reported, as reported by the over-the-counter quotation system on which the Company Stock is then quoted or as reported in a customary financial reporting service, as applicable and as the Board determines. If the Company Stock is not publicly traded or, if publicly traded, is not subject to reported transactions or "bid" or "asked" quotations as set forth above, the Fair Market Value per share shall be as determined by the Board.

(c) Option Term. The Board shall determine the term of each Option. The term of any Option shall not exceed ten years from the date of grant. However, an Incentive Stock Option that is granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company, or any parent or subsidiary of the Company, may not have a term that exceeds five years from the date of grant.

(d) Exercisability of Options.

(i) Options shall become exercisable in accordance with such terms and conditions, consistent with this Plan, as may be determined by the Board and specified in the Grant Instrument.

(ii) The Board may provide in a Grant Instrument that the Grantee may elect to exercise part or all of an Option before it otherwise has become exercisable. Any shares so purchased shall be restricted shares and shall be subject to a repurchase right in favor of the Company during a specified restriction period, with the repurchase price equal to the lesser of (i) the Exercise Price or (ii) the Fair Market Value of such shares at the time of repurchase, or such other restrictions as the Board deems appropriate.

(e) Grants to Non-Exempt Employees. Notwithstanding the foregoing, unless expressly approved by the Board, Options granted to persons who are non-exempt employees under the Fair Labor Standards Act of 1938, as amended, (the "FLSA") may not be exercisable for at least six months after the date of grant (except that such Options may become exercisable, as determined by the Board, upon the Grantee's death, Disability (as defined in Section 5(f)(v)(C)) or Retirement (as defined in Section 5(f)(v)(E)), or upon a Change of Control or other circumstances permitted by applicable regulations).

(f) Termination of Employment, Disability or Death.

(i) Except as provided below, an Option may be exercised only while the Grantee is employed by, or providing service to, the Employer (as defined in Section 5(f)(v)(A)) as an Employee, Key Advisor or member of the Board. In the event that a Grantee ceases to be employed by, or provide service to, the Employer for any reason other than Disability, death, Retirement or termination for Cause (as defined in Section 5(f)(v)(D)), except as otherwise provided by the Board, any Option that is otherwise exercisable by the Grantee shall terminate unless exercised within 90 days after the date on which the Grantee ceases to be employed by, or provide service to, the Employer (or within such other period of time as may be specified by the Board), but in any event no later than the date of expiration of the Option term. Except as otherwise provided by the Board, any of the Grantee's Options that are not otherwise exercisable as of the

date on which the Grantee ceases to be employed by, or provide service to, the Employer shall terminate as of such date.

(ii) In the event the Grantee ceases to be employed by, or provide service to, the Employer on account of a termination for Cause by the Employer, any Option held by the Grantee shall terminate as of the date the Grantee ceases to be employed by, or provide service to, the Employer. In addition, notwithstanding any other provisions of this Section 5, if the Board determines that the Grantee has engaged in conduct that constitutes Cause at any time while the Grantee is employed by, or providing service to, the Employer or after the Grantee's termination of employment or service, any Option held by the Grantee shall immediately terminate, and the Grantee shall automatically forfeit all shares underlying any exercised portion of an Option for which the Company has not yet delivered the share certificates, upon refund by the Company of the Exercise Price paid by the Grantee for such shares. Upon any exercise of an Option, the Company may withhold delivery of share certificates pending resolution of an inquiry that could lead to a finding resulting in a forfeiture.

(iii) In the event the Grantee ceases to be employed by, or provide service to, the Employer because of the Grantee's Disability or Retirement, any Option that is otherwise exercisable by the Grantee shall terminate unless exercised within one year after the date on which the Grantee ceases to be employed by, or provide service to, the Employer (or within such other period of time as may be specified by the Board), but in any event no later than the date of expiration of the Option term. Except as otherwise provided by the Board, any of the Grantee's Options that are not otherwise exercisable as of the date on which the Grantee ceases to be employed by, or provide service to, the Employer shall terminate as of such date. In the event that an Incentive Stock Option is exercised more than 90 days after Retirement, the Option shall lose its status as an Incentive Stock Option and shall be treated as a Nonqualified Stock Option.

(iv) If the Grantee dies while employed by, or providing service to, the Employer or within 90 days after the date on which the Grantee ceases to be employed or provide service on account of a termination specified in Section 5(f)(i) above (or within such other period of time as may be specified by the Board), any Option that is otherwise exercisable by the Grantee shall terminate unless exercised within one year after the date on which the Grantee ceases to be employed by, or provide service to, the Employer (or within such other period of time as may be specified by the Board), but in any event no later than the date of expiration of the Option term. Except as otherwise provided by the Board, any of the Grantee's Options that are not otherwise exercisable as of the date on which the Grantee ceases to be employed by, or provide service to, the Employer shall terminate as of such date.

(v) For purposes of this Section 5(f) and Section 6:

(A) The term "Employer" shall include the Company and its parent and subsidiary corporations, as determined by the Board.

(B) "Employed by, or provide service to, the Employer" shall mean employment or service as an Employee, Key Advisor or member of the Board (so that, for purposes of exercising Options and satisfying conditions with respect to other Grants, a Grantee shall not be considered to have terminated employment or service until the Grantee ceases to be an Employee, Key Advisor or member of the Board), unless the Board determines otherwise.

(C) "Disability" shall mean a Grantee's becoming disabled within the meaning of section 22(e)(3) of the Code, within the meaning of the Employer's long-term disability plan applicable to the Grantee, or as otherwise determined by the Board.

(D) "Cause" shall mean, except to the extent specified otherwise by the Board, a finding by the Board that the Grantee (i) has breached his or her employment or service contract with the Employer in any material respect, (ii) has engaged in disloyalty to the Company, including, without limitation, fraud, embezzlement, theft, commission of a felony or proven dishonesty, (iii) has disclosed trade secrets or confidential information of the Employer to persons not entitled to receive such information, (iv) has breached any written noncompetition or nonsolicitation agreement between the Grantee and the Employer or (v) has engaged in such other behavior detrimental to the interests of the Employer as the Board determines.

(E) "Retirement" shall mean a termination of employment by reason of an Employee's retirement at or after the Employee's earliest permissible retirement date pursuant to and in accordance with a regular retirement plan or the personnel practices of the Employer.

(g) Exercise of Options. A Grantee may exercise an Option that has become exercisable, in whole or in part, by delivering a notice of exercise to the Company. The Grantee shall pay the Exercise Price for an Option as specified by the Board (w) in cash, (x) with the approval of the Board, by delivering shares of Company Stock owned by the Grantee (including Company Stock acquired in connection with the exercise of an Option, subject to such restrictions as the Board deems appropriate) and having a Fair Market Value on the date of exercise equal to the Exercise Price or by attestation (on a form prescribed by the Board) to ownership of shares of Company Stock having a Fair Market Value on the date of exercise equal to the Exercise Price, (y) payment through a broker in accordance with procedures permitted by applicable regulations of the Board of Governors of the Federal Reserve System, or (z) by such other method as the Board may approve. Shares of Company Stock used to exercise an Option shall have been held by the Grantee for the requisite period of time to avoid adverse accounting consequences to the Company with respect to the Option. The Grantee shall pay the Exercise Price and the amount of any withholding tax due (pursuant to Section 10) at the time of exercise.

(h) Limits on Incentive Stock Options. Each Incentive Stock Option shall provide that, if the aggregate Fair Market Value of the stock on the date of the grant with respect to which Incentive Stock Options are exercisable for the first time by a Grantee during any calendar year, under this Plan or any other stock option plan of the Company or a parent or subsidiary, exceeds $100,000, then the Option, as to the excess, shall be treated as a Nonqualified Stock Option. An Incentive Stock Option shall not be granted to any person who is not an Employee of the Company or a parent or subsidiary (within the meaning of section 424(f) of the Code) of the Company.

(i) Limitation on Repricing. If the Company Stock is listed on an Exchange, unless such action is approved by the Company's stockholders, the Company may not (except as provided for under Section 3(d)): (A) amend any outstanding Option granted under this Plan to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Option, (B) cancel any outstanding Option (whether or not granted under the Plan) and grant in substitution therefor new Grants under this Plan (other than adjustments made pursuant to Section 3(d)) covering the same or a different number of shares of Company Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled option, (C) cancel in exchange for a cash payment any outstanding Option with an exercise price per share above the then-current Fair Market Value, other than pursuant to Section 3(d), or (D) take any other action under this Plan that constitutes a "repricing" within the meaning of the rules of the Exchange.

6. Stock Awards. The Board may issue shares of Company Stock to an Employee, Non-Employee Director or Key Advisor under a Stock Award, upon such terms as the Board deems appropriate. The following provisions are applicable to Stock Awards:

(a) General Requirements. Shares of Company Stock issued or transferred pursuant to Stock Awards may be issued or transferred for cash consideration or for no cash consideration, and subject to restrictions or no restrictions, as determined by the Board. The Board may, but shall not be required to, establish conditions under which restrictions on Stock Awards shall lapse over a period of time or according to such other criteria as the Board deems appropriate, including without limitation restrictions based on the achievement of specific performance goals. The period of time during which the Stock Award will remain subject to restrictions will be designated in the Grant Instrument as the "Restriction Period."

(b) Number of Shares. The Board shall determine the number of shares of Company Stock to be issued or transferred pursuant to a Stock Award and the restrictions applicable to such shares.

(c) Requirement of Employment or Service. Unless the Board determines otherwise, if the Grantee ceases to be employed by, or provide service to, the Employer (as defined in Section 5(f)(v)(A)) during a period designated in the Grant Instrument as the Restriction Period, or if other specified conditions are not met, the Stock Award shall terminate as to all shares covered by the Grant as to which the restrictions have not lapsed, and those shares of Company Stock must be immediately returned to the Company. The Board may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Restrictions on Transfer and Legend on Stock Certificate. During the Restriction Period, a Grantee may not sell, assign, transfer, pledge or otherwise dispose of the shares of the Stock Award except to a successor under Section 11(a). Each certificate representing a Stock Award shall contain a legend giving appropriate notice of the restrictions in the Grant. The Grantee shall be entitled to have the legend removed from the stock certificate covering the shares subject to restrictions when all restrictions on such shares have lapsed. The Board may determine that the Company will not issue a certificate for a Stock Award until all restrictions on such shares have lapsed, or that the Company will retain possession of certificates for Stock Awards until all restrictions on such shares have lapsed.

(e) Right to Vote and to Receive Dividends. During the Restriction Period, the Grantee shall not have the right to vote shares subject to Stock Awards and to receive any dividends or other distributions paid on such shares.

(f) Lapse of Restrictions. All restrictions imposed on Stock Awards shall lapse upon the expiration of the applicable Restriction Period and the satisfaction of all conditions imposed by the Board. The Board may determine, as to any or all Stock Awards, that the restrictions shall lapse without regard to any Restriction Period.

7. Stock Units. The Board may grant Stock Units representing one or more shares of Company Stock to an Employee, Non-Employee Director or Key Advisor, upon such terms and conditions as the Board deems appropriate, provided, however, that all such grants shall comply with section 409A of the Code. The following provisions are applicable to Stock Units:

(a) Crediting of Units. Each Stock Unit shall represent the right of the Grantee to receive an amount based on the value of a share of Company Stock, if specified conditions are met. All Stock Units shall be credited to bookkeeping accounts established on the Company's records for purposes of this Plan.

(b) Terms of Stock Units. The Board may grant Stock Units that are payable if specified performance goals or other conditions are met, or under other circumstances. Stock Units may be paid at the end of a specified performance period or other period, or payment may be deferred to a date authorized by the Board. The Board shall determine the number of Stock Units to be granted and the requirements applicable to such Stock Units.

(c) Requirement of Employment or Service. Unless the Board determines otherwise, if the Grantee ceases to be employed by, or provide service to, the Employer during a specified period, or if other conditions established by the Board are not met, the Grantee's Stock Units shall be forfeited. The Board may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Payment with Respect to Stock Units. Payments with respect to Stock Units may be made in cash, in Company Stock, or in a combination of the two, as determined by the Board.

8. Stock Appreciation Rights. The Board may grant SARs to an Employee, Non-Employee Director or Key Advisor separately or in tandem with any Option. The following provisions are applicable to SARs:

(a) Base Amount. The Board shall establish the base amount of the SAR at the time the SAR is granted. The base amount of each SAR shall not be less than the Fair Market Value of a share of Company Stock on the date of Grant of the SAR.

(b) Tandem SARs. In the case of tandem SARs, the number of SARs granted to a Grantee that shall be exercisable during a specified period shall not exceed the number of shares of Company Stock that the Grantee may purchase upon the exercise of the related Option during such period. Upon the exercise of an Option, the SARs relating to the Company Stock covered by such Option shall terminate. Upon the exercise of SARs, the related Option shall terminate to the extent of an equal number of shares of Company Stock.

(c) Exercisability. An SAR shall be exercisable during the period specified by the Board in the Grant Instrument and shall be subject to such vesting and other restrictions as may be specified in the Grant Instrument. SARs may only be exercised while the Grantee is employed by, or providing service to, the Employer or during the applicable period after termination of employment or service as described in Section 5(f) above. A tandem SAR shall be exercisable only during the period when the Option to which it is related is also exercisable.

(d) Grants to Non-Exempt Employees. Notwithstanding the foregoing, SARs granted to persons who are non-exempt employees under the FLSA may not be exercisable for at least six months after the date of grant (except that such SARs may become exercisable, as determined by the Board, upon the Grantee's death, Disability or retirement, or upon a Change of Control or other circumstances permitted by applicable regulations).

(e) Value of SARs. When a Grantee exercises SARs, the Grantee shall receive in settlement of such SARs an amount equal to the value of the stock appreciation for the number of SARs exercised. The stock appreciation for an SAR is the amount by which the Fair Market Value of the underlying Company Stock on the date of exercise of the SAR exceeds the base amount of the SAR as described in Section 8(a).

(f) Form of Payment. The appreciation in an SAR shall be paid in shares of Company Stock, cash or any combination of the foregoing, as the Board shall determine. For purposes of calculating the number of shares of Company Stock to be received, shares of Company Stock shall be valued at their Fair Market Value on the date of exercise of the SAR.

(g) SAR Term. The Board shall determine the term of each SAR. The term of any SAR shall not exceed ten years from the date of grant.

9. Other Equity Awards. The Board may grant Other Equity Awards, which are awards (other than those described in Sections 5, 6, 7 and 8 of this Plan) that are based on, measured by or payable in Company Stock, including, without limitation, stock appreciation rights, to any Employee, Non-Employee Director or Key Advisor, on such terms and conditions as the Board shall determine. Other Equity Awards may be awarded subject to the achievement of performance goals or other conditions and may be payable in cash, Company Stock or any combination of the foregoing, as the Board shall determine.

10. Withholding of Taxes.

(a) Required Withholding. All Grants under this Plan shall be subject to applicable federal (including FICA), state and local tax withholding requirements. The Employer may require that the Grantee or other person receiving or exercising Grants pay to the Employer the amount of any federal, state or local taxes that the Employer is required to withhold with respect to such Grants, or the Employer may deduct from other wages paid by the Employer the amount of any withholding taxes due with respect to such Grants.

(b) Election to Withhold Shares. If the Board so permits, a Grantee may elect to satisfy the Employer's tax withholding obligation with respect to Grants paid in Company Stock by having shares withheld up to an amount that does not exceed the Grantee's minimum applicable withholding tax rate for federal (including FICA), state and local tax liabilities. The election must be in a form and manner prescribed by the Board and may be subject to the prior approval of the Board.

11. Transferability of Grants.

(a) Nontransferability of Grants. Except as provided below, only the Grantee may exercise rights under a Grant during the Grantee's lifetime. A Grantee may not transfer those rights except (i) by will or by the laws of descent and distribution or (ii) with respect to Grants other than Incentive Stock Options, if permitted in any specific case by the Board, pursuant to a domestic relations order or otherwise as permitted by the Board. When a Grantee dies, the personal representative or other person entitled to succeed to the rights of the Grantee may exercise such rights. Any such successor must furnish proof satisfactory to the Company of his or her right to receive the Grant under the Grantee's will or under the applicable laws of descent and distribution.

(b) Transfer of Nonqualified Stock Options. Notwithstanding the foregoing, the Board may provide, in a Grant Instrument, that a Grantee may transfer Nonqualified Stock Options to family members, or one or more trusts or other entities for the benefit of or owned by family members, consistent with applicable securities laws, according to such terms as the Board may determine; provided that the Grantee receives no consideration for the transfer of an Option and the transferred Option shall continue to be subject to the same terms and conditions as were applicable to the Option immediately before the transfer.

12. Change of Control of the Company.

(a) Change of Control. As used herein, a "Change of Control" shall be deemed to have occurred if:

(i) Any "person," as such term is used in sections 13(d) and 14(d) of the Exchange Act becomes a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the voting power of the then outstanding securities of the Company; provided that a Change of Control shall not be deemed to occur as a result of (A) a transaction in which the Company becomes a subsidiary of another corporation and in which the stockholders of the Company, immediately prior to the transaction, will beneficially own, immediately after

the transaction, shares entitling such stockholders to more than 50% of all votes to which all stockholders of the parent corporation would be entitled in the election of directors, or (B) the acquisition of securities of the Company by an investor of the Company in a capital-raising transaction; or

(ii) The consummation of (A) a merger or consolidation of the Company with another corporation where the stockholders of the Company, immediately prior to the merger or consolidation, will not beneficially own, immediately after the merger or consolidation, shares entitling such stockholders to more than 50% of all votes to which all stockholders of the surviving corporation would be entitled in the election of directors, (B) a sale or other disposition of all or substantially all of the assets of the Company, or (C) a liquidation or dissolution of the Company.

(b) Other Definition. The Board may modify the definition of Change of Control for a particular Grant as the Board deems appropriate to comply with section 409A of the Code.

13. Consequences of a Change of Control. In the event of a Change of Control, (a) outstanding Options and SARs shall accelerate and become exercisable, and (b) outstanding Stock Awards, Stock Units and Other Equity Awards shall vest and shall be payable. The Board may condition any such acceleration on such terms as the Board determines.

14. Limitations on Issuance or Transfer of Shares.

(a) Stockholders Agreement/Voting Agreement. The Board may require that a Grantee execute a stockholders agreement and/or a voting agreement, in each case, with such terms as the Board deems appropriate, with respect to any Company Stock issued or transferred pursuant to this Plan. If such stockholders agreement or voting agreement contains any lock-up or market standoff provisions that differ from the provisions of Section 14(c) of this Plan, for as long as the provisions of such agreement are in effect, the provisions of Section 14(c) shall not apply to such Company Stock, unless the Board determines otherwise.

(b) Limitations on Issuance or Transfer of Shares. No Company Stock shall be issued or transferred in connection with any Grant hereunder unless and until all legal requirements applicable to the issuance or transfer of such Company Stock have been complied with to the satisfaction of the Board. The Board shall have the right to condition any Grant made to any Grantee hereunder on such Grantee's undertaking in writing to comply with such restrictions on his or her subsequent disposition of such shares of Company Stock as the Board shall deem necessary or advisable, and certificates representing such shares may be legended to reflect any such restrictions. Certificates representing shares of Company Stock issued or transferred under this Plan will be subject to such stop-transfer orders and other restrictions as may be required by applicable laws, regulations and interpretations, including any requirement that a legend be placed thereon.

(c) Lock-Up Period. If so requested by the Company or any representative of the underwriters (the "Managing Underwriter") in connection with any underwritten offering of securities of the Company under the Securities Act, and subject to Section 14(a) of this Plan, a Grantee (including any successor or assigns) shall not sell or otherwise transfer any shares or other securities of the Company during the 30-day period preceding and the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act for such underwriting (or such shorter period as may be requested by the Managing Underwriter and agreed to by the Company) (the "Market Standoff Period"). If so requested by the Company or the Managing Underwriter, the Grantee shall enter into a separate written agreement to such effect in form and substance requested by the Company or the Managing Underwriter. The Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such Market Standoff Period.

15. Amendment and Termination.

(a) Amendment of This Plan. The Board may amend, suspend or terminate this Plan or any portion thereof at any time provided that (i) to the extent required by section 162(m) of the Code, no Grant that is intended to comply with section 162(m) after the date of such amendment shall become exercisable, realizable or vested, as applicable to such Grant, unless and until the Company's stockholders approve such amendment in the manner required by section 162(m); and (ii) if shares of the Company's capital stock are listed on the Exchange, no amendment that would require stockholder approval under the rules of the Exchange may be made effective unless and until the Company's stockholders approve such amendment. In addition, if at any time the approval of the Company's stockholders is required as to any other modification or amendment under section 422 of the Code or any successor provision with respect to Incentive Stock Options, the Board may not effect such modification or amendment without such approval. Unless otherwise specified in the amendment, any amendment to this Plan adopted in accordance with this Section 15(a) shall apply to, and be binding on the holders of, all Grants outstanding under this Plan at the time the amendment is adopted, provided the Board determines that such amendment, taking into account any related action, does not materially and adversely affect the rights of Grantees under this Plan. No Grant shall be made that is conditioned upon stockholder approval of any amendment to this Plan unless the Grant provides that (i) it will terminate or be forfeited if stockholder approval of such amendment is not obtained within no more than 12 months from the date of grant and (ii) it may not be exercised or settled (or otherwise result in the issuance of Company Stock) prior to such stockholder approval.

(b) Termination of This Plan. This Plan shall terminate on the day immediately preceding the tenth anniversary of its effective date, unless this Plan is terminated earlier by the Board or is extended by the Board with the approval of the stockholders.

(c) Termination and Amendment of Outstanding Grants. The Board may amend, modify or terminate any outstanding Grant, including but not limited to substituting therefor another Grant of the same or a different type, changing the date of exercise or realization, and/or converting an Incentive Stock Option into a Nonqualified Stock Option. A termination or amendment of this Plan that occurs after a Grant is made shall not materially impair the rights of a Grantee unless the Grantee consents or unless the Board acts under Section 21(b). The termination of this Plan shall not impair the power and authority of the Board with respect to an outstanding Grant. The Board may at any time provide that any Grant shall become immediately exercisable in whole or in part, free of some or all restrictions or conditions, or otherwise realizable in whole or in part, as the case may be.

(d) Governing Document. This Plan shall be the controlling document. No other statements, representations, explanatory materials or examples, oral or written, may amend this Plan in any manner. This Plan shall be binding upon and enforceable against the Company and its successors and assigns.

16. Funding of This Plan. This Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the payment of any Grants under this Plan.

17. Rights of Participants. Nothing in this Plan shall entitle any Employee, Key Advisor, Non-Employee Director or other person to any claim or right to be granted a Grant under this Plan. Neither this Plan nor any action taken hereunder shall be construed as giving any individual any rights to be retained by or in the employ of the Employer or any other employment rights.

18. No Fractional Shares. No fractional shares of Company Stock shall be issued or delivered pursuant to this Plan or any Grant. The Board shall determine whether cash, other awards or other property

shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

19. Headings. Section headings are for reference only. In the event of a conflict between a title and the content of a Section, the content of the Section shall control.

20. Effective Date of This Plan. This Plan shall be effective on the date on which this Plan is approved by the Company's stockholders.

21. Miscellaneous.

(a) Grants in Connection with Corporate Transactions and Otherwise. Nothing contained in this Plan shall be construed to (i) limit the right of the Board to make Grants under this Plan in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business or assets of any corporation, firm or association, including Grants to employees thereof who become Employees, or for other proper corporate purposes, or (ii) limit the right of the Company to grant stock options or make other awards outside of this Plan. Without limiting the foregoing, the Board may make a Grant to an employee, director or advisor of another corporation who becomes an Employee, Non-Employee Director or Key Advisor by reason of a corporate merger, consolidation, acquisition of stock or property, reorganization or liquidation involving the Company, the Parent or any of their subsidiaries in substitution for a stock option or stock award grant made by such corporation. The terms and conditions of the substitute grants may vary from the terms and conditions required by this Plan and from those of the substituted stock incentives. The Board shall prescribe the provisions of the substitute grants.

(b) Compliance with Law. This Plan, the exercise of Options and the obligations of the Company to issue shares of Company Stock under Grants shall be subject to all applicable laws and to approvals by any governmental or regulatory agency as may be required. With respect to persons subject to section 16 of the Exchange Act, it is the intent of the Company that this Plan and all transactions under this Plan comply with all applicable provisions of Rule 16b-3 or its successors under the Exchange Act and section 162(m) of the Code. It is the intent of the Company that this Plan and applicable Grants under this Plan comply with the applicable provisions of section 422 of the Code and that, to the extent applicable, Grants made under this Plan comply with the requirements of section 409A of the Code and the regulations thereunder. To the extent that any legal requirement set forth in this Plan ceases to be required under applicable law, the Board may determine that such Plan provision shall cease to apply. The Board may revoke any Grant if it is contrary to law or modify a Grant or this Plan to bring the Grant or this Plan into compliance with any applicable law or regulation.

(c) Employees Subject to Taxation Outside the United States. With respect to Grantees who are subject to taxation in countries other than the United States, the Board may make Grants on such terms and conditions as the Board deems appropriate to comply with the laws of the applicable countries, and the Board may create such procedures, addenda and subplans and make such modifications as may be necessary or advisable to comply with such laws.

(d) Governing Law. The validity, construction, interpretation and effect of this Plan and Grant Instruments issued under this Plan shall be governed and construed by and determined in accordance with the laws of the State of Delaware, without giving effect to the conflict of laws provisions thereof.

Effective June 27, 2025.

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Greg Duncan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dogwood Therapeutics, 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:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably 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 control over financial reporting.

Date: August 13, 2025

/s/ Greg Duncan
Greg Duncan
Chairman of the Board of Directors
and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Angela Walsh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dogwood Therapeutics, 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:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably 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 control over financial reporting.

Date: August 13, 2025

/s/ Angela Walsh
Angela Walsh
Chief Financial Officer, Corporate Secretary and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 32.1

Certification of CEO Pursuant to 18 U.S.C. Section 1350,

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Dogwood Therapeutics, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, the undersigned, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2025

/s/ Greg Duncan
Greg Duncan
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certification of CFO Pursuant to 18 U.S.C. Section 1350,

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Dogwood Therapeutics, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, the undersigned, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2025

/s/ Angela Walsh

Angela Walsh
Chief Financial Officer, Corporate Secretary and Treasurer
(Principal Financial and Accounting Officer)