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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 March 31, 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 May 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)

	March 31, 2025 (Unaudited)	December 31, 2024
Assets		
Current assets:		
Cash	**$ 17,539,004**	$ 14,847,949
Prepaid expenses and other current assets	**1,624,768**	1,696,513
Total current assets	**19,163,772**	16,544,462
Property and equipment, net	**15,899**	16,811
Right-of-use assets	**193,759**	205,837
Prepaid expenses, long-term	**18,150**	18,133
Goodwill	**11,823,159**	11,812,476
Intangible assets	**65,769,949**	65,710,527
Total assets	**$ 96,984,688**	$ 94,308,246
Liabilities, Series A Non-Voting Convertible Preferred Stock, and Stockholders' equity (deficit)		
Current liabilities:		
Accounts payable	**$ 1,153,642**	$ 1,231,805
Accrued expenses	**1,375,464**	1,894,835
Lease liability, current portion	**50,719**	49,696
Total current liabilities	**2,579,825**	3,176,336
Debt with related party, net of issuance costs	**—**	15,381,077
Lease liability, long-term portion	**140,525**	154,885
Deferred tax liability	**11,515,383**	11,314,925
Total liabilities	**14,235,733**	30,027,223
Commitments and contingencies (Note 12)		
Series A Non-Voting Convertible Preferred Stock, $0.0001 par value; 2,213.8044 shares authorized, issued and outstanding at March 31, 2025 and 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 March 31, 2025, respectively; and 1,339,896 and 1,332,178 shares issued and outstanding at December 31, 2024	**191**	133
Series A-1 Non-Voting Convertible Preferred Stock, $0.0001 par value; 284.2638 shares authorized, issued and outstanding at March 31, 2025 and no shares authorized, issued and outstanding at December 31, 2024	**24,994,461**	—
Preferred stock, $0.0001 par value; 1,997,502 and 1,997,786 shares authorized; no shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	**—**	—
Additional paid-in capital	**70,937,136**	67,856,589
Accumulated deficit	**(84,743,898)**	(73,818,946)
Accumulated other comprehensive loss	**(3,801,831)**	(3,862,987)
	7,386,059	(9,825,211)
Less: Treasury stock, 7,718 shares of common stock at cost	**(299,128)**	(299,128)
Total stockholders' equity (deficit)	**7,086,931**	(10,124,339)
Total liabilities, Series A Non-Voting Convertible Preferred Stock and Stockholders' equity (deficit)	**$ 96,984,688**	$ 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 March 31,	
	2025	2024 (As Adjusted)
Revenue	$ —	$ —
Operating expenses:		
Research and development	**2,436,998**	343,717
General and administrative expenses	**1,992,928**	970,384
Total operating expenses	**4,429,926**	1,314,101
Loss from operations	**(4,429,926)**	(1,314,101)
Other (expense) income:		
Loss on debt conversion with related party	**(6,134,120)**	—
Interest (expense) income, net	**(147,090)**	22,766
Exchange loss, net	**(23,274)**	—
Total other (expense) income	**(6,304,484)**	22,766
Loss before income taxes	**(10,734,410)**	(1,291,335)
Deferred income tax expense	**(190,542)**	—
Net loss	**(10,924,952)**	(1,291,335)
Accrual of paid-in-kind dividends on Series A Non-Voting Convertible Preferred Stock	**(1,256,662)**	—
Net loss attributable to common stockholders	**$ (12,181,614)**	$ (1,291,335)
Net loss per common share, basic and diluted	**$ (8.45)**	$ (1.68)
Weighted average number of shares outstanding – basic and diluted	**1,441,535**	770,317
Comprehensive loss		
Net loss	**$ (10,924,952)**	$ (1,291,335)
Foreign currency translation adjustment	**61,156**	—
Comprehensive loss	**$ (10,863,796)**	$ (1,291,335)

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 Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Par	Shares	Par					
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**

	Series A Non-Voting Convertible Preferred Stock		Series A-1 Non-Voting Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Par					
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**

See accompanying notes to the condensed consolidated financial statements.

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

	Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities		
Net loss	**$ (10,924,952)**	$ (1,291,335)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on foreign exchange	**6,886**	—
Amortization of loan costs	**52,373**	—
Depreciation expense	**17,022**	—
Loss on debt conversion with related party	**6,134,120**	—
Deferred tax expense	**190,542**	—
Share-based compensation expense	**84,474**	138,969
Changes in operating assets and liabilities:		
Decrease in prepaid expenses and other current assets	**71,808**	3,417
(Decrease) increase in accounts payable	**(131,477)**	84,846
(Decrease) increase in accrued expenses and other liabilities	**(183,350)**	126,689
Net cash used in operating activities	**(4,682,554)**	(937,414)
Cash flows from financing activities		
Proceeds from registered direct offering of common stock, net of offering costs	**4,372,378**	—
Proceeds from loan with related party	**3,000,000**	—
Net cash provided by financing activities	**7,372,378**	—
Net increase in cash	**2,689,824**	(937,414)
Cash, beginning of period	**14,847,949**	3,316,946
Effect of foreign currency translation on cash	**1,231**	—
Cash, end of period	**$ 17,539,004**	$ 2,379,532
Supplemental disclosure of non-cash financing and investing activities:		
Offering costs included in accounts payable and accrued expenses	**$ 119,585**	$ —
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 study 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 months ended March 31, 2025 and 2024, the Company incurred net losses of $10,924,952 and $1,291,335, respectively, and had net cash outflows used in operating activities for the three months ended March 31, 2025 and 2024 of $4,682,554 and $937,414, respectively. As of March 31, 2025, the Company had an accumulated deficit of $84,743,898 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.

Nasdaq Listing

As previously reported, on November 15, 2024, we received a notification letter (the “Notice”) from the Nasdaq Listing Qualifications Staff (the “Staff”) of The Nasdaq Stock Market LLC (“Nasdaq”) notifying us that the amount of our stockholders’ equity had fallen below the $2,500,000 required minimum for continued listing under Listing Rule 5550(b) (the “Rule”). The Notice also noted that we did not meet the alternatives of market value of listed securities or net income from continuing operations and, therefore, no longer comply with the Nasdaq Listing Rules. The Notice provided that we had until December 30, 2024 to provide Nasdaq with a specific plan to achieve and sustain compliance, which the Company duly submitted to Nasdaq. On February 2, 2025, the Company received a letter from Nasdaq granting it until May 14, 2025 to regain compliance with the Nasdaq Listing Rule 5550(b)(1). As previously reported, on April 3, 2025, we issued a Form 8-K announcing that pursuant to the Debt Exchange and Cancellation Agreement and the March 2025 Offering, discussed above, we believe we had regained compliance with the stockholders’ equity requirement set forth in Nasdaq Listing Rule 5550(b)(1).

On April 8, 2025, we received a letter from Nasdaq stating that based on our Form 8-K dated April 3, 2025, we had regained compliance with the Nasdaq Listing Rule 5550(b)(1).

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, 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 months ended March 31, 2025 and 2024:

	Three Months Ended	
	March 31, 2025	March 31, 2024
Operating expenses:		
Clinical	**$ 1,817,232**	$ 2,274
Chemical, manufacturing and controls	**135,122**	42,637
Research and preclinical	**24,134**	63,716
Regulatory	**21,658**	(16)
Other research and development costs	**438,852**	235,106
Total research and development	**2,436,998**	343,717
General and administrative expenses	**1,992,928**	970,384
Total operating expenses	**$ 4,429,926**	$ 1,314,101
Loss on debt conversion with related party	**6,134,120**	—
Interest expense (income), net	**147,090**	(22,766)
Exchange loss, net	**23,274**	—
Net loss before income taxes	**$ 10,734,410**	$ 1,291,335

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 March 31, 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. 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 three months ended March 31, 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 three months ended March 31, 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 March 31, 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 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 months ended March 31, 2025 and 2024, the Company had options to purchase 92,777 shares of Common Stock, warrants to purchase 7,755 shares of Common Stock and preferred shares to convert into 24,980,682 and none, respectively, of Common Stock 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.

Recently 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 financial statements.

Subsequent Event

Per the Series A Certificate of Designation, holders of Series A Preferred Stock were entitled to receive a payment-in-kind ("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.

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 March 31, 2025.

	Combination Date Fair Value	Impairment	Translation Adj	Carrying Value as of March 31, 2025
Halneuron® for Cancer Related Pain	$ 59,900,000	$ —	$ (3,214,822)	$ 56,685,178
Halneuron® for Chemotherapy Induced Neuropathic Pain	9,600,000	—	(515,229)	9,084,771
Total in-process research and development (IPR&D)	$ 69,500,000	$ —	$ (3,730,051)	$ 65,769,949
Goodwill	$ 12,493,727	$ —	$ (670,568)	$ 11,823,159

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 ended March 31, 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)	March 31, 2024
Net revenues	$ —
Net loss before taxes	$ (2,712)

4 Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	March 31, 2025	December 31, 2024
Prepaid insurance	**$ 494,429**	$ 667,257
Prepaid clinical research costs	**1,044,935**	835,603
Prepaid travel	**4,324**	96,749
Prepaid accounting fees	**—**	55,525
Prepaid services	**9,486**	13,373
Other miscellaneous current assets	**71,594**	28,006
	1,624,768	1,696,513
Long-term		
Security deposit on leased premises	**18,150**	18,133
	$ 1,642,918	$ 1,714,646

5 Property and Equipment

Property and equipment consist of the following:

	March 31, 2025	December 31, 2024
Computer equipment	$ 5,957	$ 5,952
Office furniture and equipment	12,447	12,435
Total property and equipment, at cost	18,404	18,387
Less: Accumulated depreciation and amortization	(2,505)	(1,576)
Property and equipment, net	$ 15,899	$ 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:

	March 31, 2025	December 31, 2024
Accrued interest on preferred members' interests and related party loan	$ 188,085	$ 417,539
Accrued compensation	309,985	737,281
Accrued clinical research costs	594,714	611,741
Accrued professional fees	227,645	97,093
Accrued director fees	46,159	30,054
Other miscellaneous accrued expenses	8,876	1,127
	$ 1,375,464	$ 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 $18,150 and $18,133 as of March 31, 2025 and December 31, 2024, respectively.

There were no additions or extensions to the right-of-use asset during the three months ended March 31, 2025. Total cash outflows for the lease were $31,007 for the three months ended March 31, 2025 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 months ended March 31, 2025:

Component of lease cost	March 31, 2025
Operating lease cost	**$ 16,094**
Variable lease cost	**13,654**
Total lease expense	**$ 29,748**

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

Year ending March 31,	
2025	$ 63,524
2026	64,246
2027	65,380
2028	23,924
Total lease payments	217,074
Less: amount representing interest	(25,830)
Present value of net minimum lease payments	$ 191,244
Less: current obligations	(50,719)
Long-term obligations under leases	$ 140,525

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

	March 31, 2025
Cash paid for amounts included in the measurement of lease liabilities	$ 31,007
Weighted-average remaining lease term (in years) - operating leases	3.4
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 months ended March 31, 2025, the Company recognized interest expense of $197,437 and amortization of issuance costs of $52,373 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 1,997,502 and 1,997,786 authorized and no issued and outstanding shares of preferred stock at March 31, 2025 and December 31, 2024, respectively.

Series A Preferred Stock

In October 2024, the Board of Directors designated 2,213.8044 of the 2,000,000 shares of preferred stock to be Series A Preferred Stock. As of March 31, 2025 and December 31, 2024, the Company has authorized, issued and outstanding 2,213.8044 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 March 31, 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 March 31, 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.

Common Stock

The Company's certificate of incorporation, adopted on December 16, 2020, 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 months ended March 31, 2025 and 2024, the Company paid Gendreau $188,577 and $1,383, respectively, and had accounts payable of $18,908 and $21,260 to Gendreau as of March 31, 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 16, 2022, the stockholders of the Company approved 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 50,000 shares to 82,500 total shares issuable under the Plan. As of March 31, 2024, 1,423 shares of Common Stock were available for future grants under the Plan.

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	—	—	—
Exercised	—	—	—
Outstanding at March 31, 2025	81,077	$ 98.93	7.14
Exercisable at March 31, 2025	73,877	$ 106.96	7.09

There were no options issued during the three months ended March 31, 2025.

During the three months ended March 31, 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 March 31, 2025 the aggregate intrinsic value of options outstanding was $0.

The Company recognized share-based compensation expense related to stock options during the three months ended March 31, 2025 and 2024, of $84,474 and $138,969, respectively. The unrecognized compensation expense for stock options at March 31, 2025 was $84,267.

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 5.72 years. As of March 31, 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 March 31, 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 three months ended March 31, 2025 and 2024 and there is no unrecognized compensation expense for these awards as of March 31, 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 March 31, 2025	7,755	$ 279.77	0.91
Exercisable at March 31, 2025	7,755	$ 279.77	0.91

As of March 31, 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 months ended March 31, 2025 and 2024, the domestic and foreign components of net loss before income taxes are as follows:

	Three Months Ended March 31,	
	2025	2024
United States	**$ (10,326,992)**	$ (1,291,335)
Foreign	**(407,418)**	—
Loss before income taxes	**$ (10,734,410)**	$ (1,291,335)

The Company recorded a deferred tax expense of $190,542 for the three months ended March 31, 2025. There was no deferred tax expense (benefit) for the three months ended March 31, 2024. The components of the deferred tax expense are as follows:

	Three Months Ended March 31,	
	2025	2024
Domestic	**$ —**	$ —
Foreign	**190,542**	—
	$ 190,542	$ —

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.

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 2 clinical development for the treatment of CINP. 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.

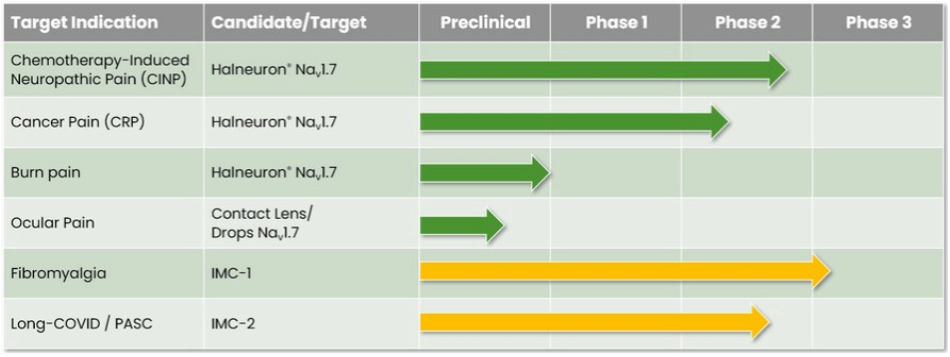
In the first quarter of 2025, we commenced dosing of patients in the HALT-CINP-203 clinical trial in the United States. HALT-CINP-203 is a double-blind, placebo controlled clinical trial to access the efficacy and safety of Halneuron® in 200 patients with moderate to severe neuropathic pain caused by previous platinum and/or taxane chemotherapy. The primary efficacy endpoint is the change from baseline at week 4 in the weekly average of daily 24-hour recall pain intensity scores, comparing Halneuron® to the placebo. The secondary endpoints are patient global impression of change, PROMIS regarding fatigue, PROMIS related to 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

We are presently exploring the best options to continue 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).

The following chart reflects our current pipeline and the development stage of each product candidate.



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.

Recent Developments

As previously reported, on November 15, 2024, we received a notification letter (the "Notice") from the Nasdaq Listing Qualifications Staff (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") notifying us that

the amount of our stockholders' equity had fallen below the $2,500,000 required minimum for continued listing under Listing Rule 5550(b) (the "Rule"). The Notice also noted that we did not meet the alternatives of market value of listed securities or net income from continuing operations and, therefore, no longer comply with the Nasdaq Listing Rules. The Notice provided that we had until December 30, 2024 to provide Nasdaq with a specific plan to achieve and sustain compliance, which the Company duly submitted to Nasdaq. On February 2, 2025, the Company received a letter from Nasdaq granting it until May 14, 2025 to regain compliance with the Nasdaq Listing Rule 5550(b)(1). As previously reported, on April 3, 2025, we issued a Form 8-K announcing that pursuant to the Debt Exchange and Cancellation Agreement and the March 2025 Offering, discussed above, we believe we had regained compliance with the stockholders' equity requirement set forth in Nasdaq Listing Rule 5550(b)(1).

On April 8, 2025, we received a letter from Nasdaq stating that based on our Form 8-K dated April 3, 2025, we had regained compliance with the Nasdaq Listing Rule 5550(b)(1).

Results of Operations

Below is a summary of the results of operations:

	Three Months Ended March 31,	
	2025	2024
Operating expenses:	(Unaudited)	
Research and development	**$ 2,436,998**	$ 343,717
General and administrative	**1,992,928**	970,384
Total operating expenses	**$ 4,429,926**	$ 1,314,101

Three Months Ended March 31, 2025 and 2024

Research and Development Expenses

Research and development expenses increased by $2.1 million to $2.4 million for the three months ended March 31, 2025 from $0.3 million for the three months ended March 31, 2024. The increase was primarily due to the impact of the Combination including increases in expenses for clinical trials of $1.8 million related to the HALT-CINP-203 study, drug development and manufacturing costs of $0.1 million and salaries and related personnel costs of $0.2 million.

General and Administrative Expenses

General and administrative expenses increased by $1.0 million to $2.0 million for the three months ended March 31, 2025, from $1.0 million for the three months ended March 31, 2024. The increase was primarily due to increases in expenses for legal and professional fees of $0.6 million related to the Combination, franchise tax fees of $0.2 million, salaries and related personnel costs of $0.2 million and other general and administrative costs of $0.1 million offset by lower insurance expenses associated with being a public company 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 March 31, 2025, our principal source of liquidity was our cash, which totaled $17.5 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 $4.8 million and net proceeds of approximately $4.25 million, after deducting placement agent fees and offering expenses.

There were no equity financings during the three months ended March 31, 2024.

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 months ended March 31, 2024. There was no debt outstanding at March 31, 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 March 31, 2025 of approximately $17.5 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 three months ended March 31, 2025 and 2024, respectively:

	Three Months Ended March 31,	
	2025	2024
	(Unaudited)	
Statement of Cash Flows Data:		
Net cash (used in) provided by:		
Operating activities	$ **(4,682,554)**	$ (937,414)
Financing activities	**7,372,378**	—
Increase (decrease) in cash	$ **2,689,824**	$ (937,414)

Cash Flows for the Three Months Ended March 31, 2025 and 2024

Operating Activities

For the three months ended March 31, 2025, net cash used in operations was $4.7 million and consisted of a net loss of $10.9 million and a net change in operating assets and liabilities of $0.2 million attributable to a decrease in accounts payable and accrued liabilities of $0.3 million offset by a decrease in prepaid expenses and other current assets of $0.1 million further offset by non-cash items of $6.4 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 $0.1 million.

For the three months ended March 31, 2024, net cash used in operations was $0.9 million and consisted of a net loss of $1.3 million offset by a net change in operating assets and liabilities of $0.2 million attributable to an increase in accounts payable and accrued liabilities of $0.2 million and non-cash items of $0.2 million attributable to share-based compensation.

Financing Activities

Net cash provided by financing activities during the three months ended March 31, 2025 was $7.4 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 three months ended March 2025 of $0.4 million.

There were no financing activities during the three months ended March 31, 2024.

Off-Balance Sheet Arrangements

As of March 31, 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 three months ended March 31, 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 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

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 three months ended March 31, 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.

Ratification

On May 8, 2025, the board of directors of the Company adopted resolutions (the "Resolutions") approving the ratification pursuant to Section 204 of the Delaware General Corporation Law of the previously disclosed required payment of a dividend of 55.345 shares of Series A Preferred Stock to holders of Series A Preferred Stock (the "Ratification"). A copy of the Resolutions adopted by the board of directors setting forth the information with respect to the Ratification required under Section 204 of the Delaware General Corporation Law is set forth in Exhibit 99.1 to this Quarterly Report on Form 10-Q. Any claim that any defective corporate act or putative stock ratified pursuant to the Ratification is void or voidable due to the failure of authorization specified in the Resolutions or that the Delaware Court of Chancery should declare in its discretion that the Ratification in accordance with Section 204 of the Delaware General Corporation Law not be effective or be effective only on certain conditions must be brought within 120 days from the giving of this notice (which is deemed to be given on the date that this Quarterly Report on Form 10-Q is filed with the SEC).

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.
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	Debt Exchange and Cancellation Agreement, dated March 12, 2025, by and between Dogwood Therapeutics, Inc. and Conjoint, Inc. (incorporated by reference herein from Exhibit 10.1 to the Current Report on Form 8-K, filed with the SEC on March 12, 2025).
10.2	Joinder and Amendment No. 1 to Registration Rights Agreement, dated March 12, 2025, by and between Dogwood Therapeutics, Inc., Sealbond Limited and Conjoint Inc. (incorporated by reference herein from Exhibit 10.2 to the Current Report on Form 8-K, filed with the SEC on March 12, 2025).
10.3	Form of Support Agreement (incorporated by reference herein from Exhibit 10.3 to the Current Report on Form 8-K, filed with the SEC on March 12, 2025).
10.4	Form of Stock Purchase Agreement (incorporated by reference herein from Exhibit 10.1 to the Current Report on Form 8-K, filed with the SEC on March 14, 2025).
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.
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: May 9, 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 3.2

CERTIFICATE OF VALIDATION
OF
DOGWOOD THERAPEUTICS, INC.

Pursuant to Section 204 of the

General Corporation Law of the State of Delaware

Dogwood Therapeutics, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), certifies as follows:

1. The defective corporate act that is the subject of this Certificate of Validation is the issuance of 55.3450 shares of the Corporation's Series A Non-Voting Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock"), on April 7, 2025 (the "Dividend Issuance") pursuant to Section 3 of the Certificate of Designation ("Certificate of Designation") of Preferences, Rights and Limitations of Series A Non-Voting Convertible Preferred Stock.

2. The nature of the failures of authorization in respect of the Dividend Issuance was: (i) the failure of the Board to have duly approved the Dividend Issuance in accordance with Sections 152, 153, 157 and 170 of the General Corporation Law of the State of Delaware (the "DGCL") and (ii) the failure of the Certificate of Designation to have authorized a sufficient number of shares of Series A Preferred Stock.

3. The defective corporate act that is the subject of this Certificate of Validation was duly ratified in accordance with Section 204 of DGCL pursuant to resolutions of the Board of Directors of the Corporation adopted on May 8, 2025.

4. The Certificate of Designations was previously filed under Section 103 of the DGCL on October 7, 2024. A certificate containing all of the information required to be included under Section 151 of the DGCL to give effect to the Dividend Issuance is attached hereto as Exhibit A. Such certificate shall be deemed to have become effective as of 12:01 a.m. on October 7, 2024.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Validation to be executed by its duly authorized officer as of this 8th day of May, 2025.

DOGWOOD THERAPEUTICS, INC.

By: /s/ Greg Duncan

Name: Greg Duncan

Title: Chief Executive Officer

EXHIBIT A

VIRIOS THERAPEUTICS, INC.

**CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF
SERIES A NON-VOTING CONVERTIBLE PREFERRED STOCK**

Pursuant to Section 151 of the
General Corporation Law of the State of Delaware

THE UNDERSIGNED DOES HEREBY CERTIFY, on behalf of Virios Therapeutics, Inc., a Delaware corporation (the "***Corporation***"), that the following resolution was duly adopted by the Board of Directors of the Corporation (the "***Board of Directors***"), in accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware (the "***DGCL***"), at a meeting duly called and held on October 4, 2024, which resolution provides for the creation of a series of the Corporation's Preferred Stock, par value $0.0001 per share, which is designated as "Series A Non-Voting Convertible Preferred Stock," with the preferences, rights and limitations set forth therein relating to dividends, conversion, redemption, dissolution and distribution of assets of the Corporation.

WHEREAS: the Certificate of Incorporation of the Corporation, as amended (the "***Certificate of Incorporation***"), provides for a class of its authorized stock known as Preferred Stock, consisting of 2,000,000 shares, $0.0001 par value per share (the "***Preferred Stock***"), issuable from time to time in one or more series.

RESOLVED: that, pursuant to authority conferred upon the Board of Directors by the Certificate of Incorporation, (i) a series of Preferred Stock of the Corporation be, and hereby is authorized by the Board of Directors, (ii) the Board of Directors hereby authorizes the issuance of 2,269.1494 shares of "Series A Non-Voting Convertible Preferred Stock" pursuant to the terms of the Share Exchange Agreement, dated as of the date hereof, by and among the Corporation and Sealbond Limited, a British Virgin Islands corporation (the "***Exchange Agreement***"), and (iii) the Board of Directors hereby fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such shares of Preferred Stock, in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series, as follows:

TERMS OF SERIES A NON-VOTING CONVERTIBLE PREFERRED STOCK

1. Definitions. For the purposes hereof, the following terms shall have the following meanings:

"***Business Day***" means any day other than a Saturday, Sunday or other day on which banks in New York, NY, are authorized or obligated by Law to be closed.

"***Buy-In***" shall have the meaning set forth in Section 6.5.4.

"***Closing Sale Price***" means, for any security as of any date, the last closing trade price for such security immediately prior to 4:00 p.m., New York City time, on the principal Trading Market where such security is listed or traded, as reported by Bloomberg, L.P. (or an equivalent, reliable reporting service), or if the foregoing do not apply, the last trade price of such security in the over-the-counter market on the

electronic bulletin board for such security as reported by Bloomberg, L.P., or, if no last trade price is reported for such security by Bloomberg, L.P., the average of the bid prices of any market makers for such security as reported on the OTC Pink Market by OTC Markets Group, Inc. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as determined in good faith by the Board of Directors of the Corporation.

"***Commission***" means the United States Securities and Exchange Commission.

"***Common Stock***" means the Corporation's common stock, par value $0.0001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"***Conversion Shares***" means, collectively, the shares of Common Stock issuable upon conversion of the shares of Series A Non-Voting Preferred Stock in accordance with the terms hereof.

"***Exchange Act***" means the Securities Exchange Act of 1934.

"***Holder***" means a holder of shares of Series A Non-Voting Preferred Stock.

"***Person***" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"***Trading Day***" means a day on which the principal Trading Market is open for business.

"***Trading Market***" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

2. Designation, Amount and Par Value. The series of Preferred Stock shall be designated as the Corporation's Series A Non-Voting Convertible Preferred Stock (the "***Series A Non-Voting Preferred Stock***") and the number of shares so designated shall be 2,270. Each share of Series A Non-Voting Preferred Stock shall have a par value of $0.0001 per share.

3. Dividends. Holders shall be entitled to receive, and the Corporation shall pay, dividends on shares of the Series A Non-Voting Preferred Stock (on an as-if-converted-to-Common-Stock basis, without regard to the Beneficial Ownership Limitation (as defined below)) equal to and in the same form, and in the same manner, as dividends (other than dividends on shares of the Common Stock payable in the form of Common Stock) actually paid on shares of the Common Stock when, as and if such dividends (other than dividends payable in the form of Common Stock) are paid on shares of the Common Stock; provided, however, in no event shall Holders of Series A Non-Voting Preferred Stock be entitled to receive the "rights" distributed pursuant to that certain Contingent Value Rights Agreement dated as of October 7, 2024 by and between the Corporation and Broadridge Corporation Issuer Solutions, LLC a Pennsylvania limited liability company, as may be amended from time to time (the "***CVR Agreement***"), or any amounts paid under the CVR Agreement. In addition, Holders shall be entitled to receive, and the Corporation shall pay, payment-in-kind ("***PIK***") dividends on each share of Series A Non-Voting Preferred Stock, accruing at a rate equal to five percent (5.0%) per annum payable in shares of Series A Non-Voting Preferred Stock on the date that is 180 days after the date of the original issuance of such Series A Non-Voting Preferred Stock or such earlier date that that Holder may convert any portion of the Series A Non-Voting Preferred Stock to Common Stock. Other than as set forth in the previous two

sentences, no other dividends shall be paid on shares of Series A Non-Voting Preferred Stock, and the Corporation shall pay no dividends (other than dividends payable in the form of Common Stock) on shares of the Common Stock unless it simultaneously complies with the previous two sentences.

4. Voting Rights.

4.1 Except as otherwise provided herein or as otherwise required by the DGCL, the Series A Non-Voting Preferred Stock shall have no voting rights. However, as long as any shares of Series A Non-Voting Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the holders of a majority of the then outstanding shares of the Series A Non-Voting Preferred Stock: (i) alter or change adversely the powers, preferences or rights given to the Series A Non-Voting Preferred Stock or alter or amend this Certificate of Designation, amend or repeal any provision of, or add any provision to, the Certificate of Incorporation or Amended and Restated Bylaws of the Corporation, 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 Non-Voting Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation, recapitalization, reclassification, conversion or otherwise, (ii) issue further shares of Series A Non-Voting Preferred Stock or increase or decrease (other than by conversion) the number of authorized shares of Series A Non-Voting Preferred Stock, (iii) prior to the Stockholder Approval (as defined below) or at any time while at least 30% of the originally issued Series A Non-Voting Preferred Stock remains issued and outstanding, consummate either: (A) any Fundamental Transaction (as defined below) or (B) any merger or consolidation of the Corporation with or into another entity or any stock sale to, or other business combination in which the stockholders of the Corporation immediately before such transaction do not hold at least a majority of the capital stock of the Corporation immediately after such transaction or (iv) enter into any agreement with respect to any of the foregoing. Holders of shares of Common Stock acquired upon the conversion of shares of Series A Non-Voting Preferred Stock shall be entitled to the same voting rights as each other holder of Common Stock, except that such holders may not vote such shares upon the proposal for Stockholder Approval pursuant to the Exchange Agreement in accordance with Rule 5635 of the listing rules of The Nasdaq Stock Market LLC.

4.2 Any vote required or permitted under Section 4.1 may be taken at a meeting of the Holders or through the execution of an action by written consent in lieu of such meeting, provided that the consent is executed by Holders representing at least a majority of the outstanding shares of Series A Non-Voting Preferred Stock.

5. Rank; Liquidation.

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

5.2 Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary (a "***Liquidation***"), each Holder shall be entitled to receive out of the assets, whether capital or surplus, of the Corporation the same amount that a holder of Common Stock would receive if the Series A Non-Voting Preferred Stock were fully converted (disregarding for such purpose any Beneficial Ownership Limitations) to Common Stock which amounts shall be paid *pari passu* with all holders of Common Stock, plus an additional amount equal to any dividends accrued on but unpaid to such shares. If, upon any such Liquidation, the assets of the Corporation shall be insufficient to pay the Holders of shares of the Series A Non-Voting Preferred Stock the amount required under the preceding

sentence, then all remaining assets of the Corporation shall be distributed ratably to the Holders and the holders of Common Stock in accordance with the respective amounts that would be payable on all such securities if all amounts payable thereon were paid in full. For the avoidance of any doubt, a Fundamental Transaction shall not be deemed a Liquidation unless the Corporation or the Board of Directors expressly declares that such Fundamental Transaction shall be treated as if it were a Liquidation.

6. Conversion.

6.1 Automatic Conversion on Stockholder Approval. Effective as of 5:00 p.m. Eastern time on the third Business Day after the date that the Corporation's stockholders approve the conversion of the Series A Non-Voting Preferred Stock into shares of Common Stock in accordance with the listing rules of the Nasdaq Stock Market, as set forth in Section 4.1 of the Exchange Agreement (the "***Stockholder Approval***"), each share of Series A Non-Voting Preferred Stock then outstanding shall automatically convert into a number of shares of Common Stock equal to the Conversion Ratio (as defined below), subject to the Beneficial Ownership Limitation in accordance with Section 6.4 below (the "***Automatic Conversion***"). In determining the application of the Beneficial Ownership Limitations solely with respect to the Automatic Conversion, subject to Section 6.4, the Corporation shall calculate beneficial ownership for each Holder assuming beneficial ownership by such Holder of: (x) the number of shares of Common Stock issuable to such Holder in such Automatic Conversion, plus (y) any additional shares of Common Stock for which a Holder has provided the Corporation with prior written notice of beneficial ownership within 30 days prior to the date of Stockholder Approval (a "***Beneficial Ownership Statement***") and assuming the conversion of all shares of Series A Non-Voting Preferred Stock less the aggregate number of shares of Series A Non-Voting Preferred Stock that will not convert into shares of Common Stock on account of the application of any applicable Beneficial Ownership Limitations. If a Holder fails to provide the Corporation with a Beneficial Ownership Statement within 30 days prior to the date of Stockholder Approval, then the Corporation, following prior written notice to the Holder, shall be entitled to presume the Holder's beneficial ownership of Common Stock (excluding the Conversion Shares) to be zero. The shares of Series A Non-Voting Preferred Stock that are converted in the Automatic Conversion are referred to as the "***Converted Stock***". The Conversion Shares shall be issued as follows:

6.1.1 Converted Stock that is registered in book entry form shall be automatically cancelled upon the Automatic Conversion and converted into the corresponding Conversion Shares, which shares shall be issued in book entry form and without any action on the part of the Holders and shall be delivered to the Holders within two Business Days of the effectiveness of the Automatic Conversion.

6.1.2 Converted Stock that is issued in certificated form shall be deemed converted into the corresponding Conversion Shares on the date of Automatic Conversion and the Holder's rights as a holder of such shares of Converted Stock shall cease and terminate on such date, excepting only the right to receive the Conversion Shares upon the Holder tendering to the Corporation (or its designated agent) the stock certificate(s) (duly endorsed) representing such certificated Converted Stock.

6.1.3 Notwithstanding the cancellation of the Converted Stock upon the Automatic Conversion, Holders of Converted Stock shall continue to have any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Corporation to comply with the terms of this Certificate of Designation. In all cases, the Holder shall retain all of its rights and remedies for the Corporation's failure to convert the Converted Stock.

6.2 Conversion at Option of Holder. Subject to Section 6.1, Section 6.4 and Section 6.5.3, each share of Series A Non-Voting Preferred Stock then outstanding shall be convertible, at any time and from time to time following 5:00 p.m. Eastern time on the third Business Day after the date that the Stockholder Approval is obtained by the Corporation, at the option of the Holder thereof, into a number of shares of Common Stock equal to the Conversion Ratio, subject to any applicable Beneficial Ownership Limitation (each, an "***Optional Conversion***"); it being understood and agreed that the Beneficial Ownership Limitation shall not apply to the matters set forth in Section 6.5.3 below. Holders shall effect conversions by providing the Corporation with the form of conversion notice attached hereto as **Annex A** (a "***Notice of Conversion***"), duly completed and executed. Provided the Corporation's transfer agent is participating in the Depository Trust Company ("***DTC***") Fast Automated Securities Transfer program, the Notice of Conversion may specify, at the Holder's election, whether the applicable Conversion Shares shall be credited to the account of the Holder's prime broker with DTC through its Deposit Withdrawal Agent Commission system (a "***DWAC Delivery***"). The date on which an Optional Conversion shall be deemed effective (the "***Conversion Date***") shall be the Trading Day that the Notice of Conversion, completed and executed, is sent via email to, and received during regular business hours by, the Corporation; provided, that the original certificate(s) (if any) representing such shares of Series A Non-Voting Preferred Stock being converted, duly endorsed, and the accompanying Notice of Conversion, are received by the Corporation within two (2) Trading Days thereafter. In all other cases, the Conversion Date shall be defined as the Trading Day on which the original certificate(s) (if any) representing such shares of Series A Non-Voting Preferred Stock being converted, duly endorsed, and the accompanying Notice of Conversion, are received by the Corporation. The calculations set forth in the Notice of Conversion shall control in the absence of manifest or mathematical error.

6.3 Conversion Ratio. The "***Conversion Ratio***" for each share of Series A Non-Voting Preferred Stock shall be 10,000 shares of Common Stock issuable upon the conversion (the "***Conversion***") of each share of Series A Non-Voting Preferred Stock, subject to adjustment as provided herein.

6.4 Beneficial Ownership Limitation. The Corporation shall not effect any conversion of any share of Series A Non-Voting Preferred Stock, including pursuant to Section 6.1, and a Holder shall not have the right to convert any portion of the Series A Non-Voting Preferred Stock pursuant to Section 6.2, to the extent that, after giving effect to such attempted conversion set forth on an applicable Notice of Conversion (as defined in the Certificate of Designation) with respect to the Series A Preferred Stock, such Holder (or any of such Holder's affiliates or any other Person who would be a beneficial owner of Common Stock beneficially owned by the Holder for purposes of Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission, including any "group" of which the Holder is a member (the foregoing, "***Attribution Parties***")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation. For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by such Holder and its Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of the Series A Non-Voting Preferred Stock subject to the Notice of Conversion or the Automatic Conversion, as applicable, with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series A Non-Voting Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to and would exceed a limitation on conversion or exercise similar to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this Section 6.4, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission, and the terms "beneficial ownership" and "beneficially own" have the meanings ascribed to such terms therein. In addition, for purposes hereof, "group" has the

meaning set forth in Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission. For purposes of this Section 6.4, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (A) the Corporation's most recent periodic or annual filing with the Commission, as the case may be, (B) a more recent public announcement by the Corporation that is filed with the Commission, or (C) a more recent notice by the Corporation or the Corporation's transfer agent to the Holder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Holder (which may be by email), the Corporation shall, within two (2) Trading Days thereof, confirm in writing to such Holder (which may be via email) the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Corporation, including shares of Series A Non-Voting Preferred Stock, by such Holder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Holder. The "***Beneficial Ownership Limitation***" shall initially be set at 19.9% for each Holder and its Attribution Parties and may be adjusted at the discretion of the Holder to a percentage above 4.9% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock pursuant to the Automatic Conversion or such Notice of Conversion (as applicable), to the extent permitted by this Section 6.4. The Corporation shall be entitled to rely on representations made to it by the Holder in any Notice of Conversion regarding its Beneficial Ownership Limitation. Notwithstanding the foregoing, at any time following notice of a Fundamental Transaction or the earlier of (i) approval by Nasdaq of the Nasdaq Listing Application (as defined in the Exchange Agreement) and receipt of Stockholder Approval and (ii) if Stockholder Approval is not obtained by June 30, 2026, the date that is three Business Days after June 30, 2026, the Holder may waive and/or change the Beneficial Ownership Limitation effective immediately upon written notice to the Corporation and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Corporation.

6.5 Mechanics of Conversion.

6.5.1 Delivery of Certificate or Electronic Issuance. Upon Conversion not later than two (2) Trading Days after the applicable Conversion Date, or if the Holder requests the issuance of physical certificate(s), two (2) Trading Days after receipt by the Corporation of the original certificate(s) representing such shares of Series A Non-Voting Preferred Stock being converted, duly endorsed, and the accompanying Notice of Conversion (the "***Share Delivery Date***"), the Corporation shall either: (a) deliver, or cause to be delivered, to the converting Holder a physical certificate or certificates representing the number of Conversion Shares being acquired upon the conversion of shares of Series A Non-Voting Preferred Stock, or (b) in the case of a DWAC Delivery (if so requested by the Holder), electronically transfer such Conversion Shares by crediting the account of the Holder's prime broker with DTC through its DWAC system. If in the case of any Notice of Conversion such certificate or certificates for the Conversion Shares are not delivered to or as directed by or, in the case of a DWAC Delivery, such shares are not electronically delivered to or as directed by, the applicable Holder by the Share Delivery Date, the applicable Holder shall be entitled to elect to rescind such Notice of Conversion by written notice to the Corporation at any time on or before its receipt of such certificate or certificates for Conversion Shares or electronic receipt of such shares, as applicable, in which event the Corporation shall promptly return to such Holder any original Series A Non-Voting Preferred Stock certificate delivered to the Corporation and such Holder shall promptly return to the Corporation any Common Stock certificates or otherwise direct the return of any shares of Common Stock delivered to the Holder through the DWAC system, representing the shares of Series A Non-Voting Preferred Stock unsuccessfully tendered for conversion to the Corporation, and for all purposes the conversion shall not be deemed to have occurred.

6.5.2 Obligation Absolute. Subject to Section 6.4 and subject to Holder's right to rescind a Notice of Conversion pursuant to Section 6.5.1, the Corporation's obligation to issue and deliver the Conversion Shares upon conversion of Series A Non-Voting Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by such Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to such Holder in connection with the issuance of such Conversion Shares. Subject to Section 6.4 and subject to Holder's right to rescind a Notice of Conversion pursuant to Section 6.5.1, in the event a Holder shall elect to convert any or all of its Series A Non-Voting Preferred Stock, the Corporation may not refuse conversion based on any claim that such Holder or anyone associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining and/or enjoining conversion of all or part of the Series A Non-Voting Preferred Stock of such Holder shall have been sought and obtained by the Corporation, and the Corporation posts a surety bond for the benefit of such Holder in the amount of 150% of the value of the Conversion Shares into which would be converted the Series A Non-Voting Preferred Stock which is subject to such injunction, which bond shall remain in effect until the completion of arbitration/litigation of the underlying dispute and the proceeds of which shall be payable to such Holder to the extent it obtains judgment. In the absence of such injunction, the Corporation shall, subject to Section 6.4 and subject to Holder's right to rescind a Notice of Conversion pursuant to Section 6.5.1, issue Conversion Shares upon a properly noticed conversion.

6.5.3 Cash Settlement. If, at any time after the earliest of (a) Stockholder Approval, (b) the occurrence of one of the events described in clauses (ii), (v), or (vi) of Section 1.5(a) of the Exchange Agreement, or (c) June 30, 2026, the Corporation fails to deliver to a Holder such certificate or certificates representing shares of Common Stock, or electronically deliver (or cause its transfer agent to electronically deliver) such shares in the case of a DWAC Delivery, pursuant to Section 6.5.1 on or prior to the third (3rd) Trading Day after the Share Delivery Date applicable to such conversion (other than a failure caused by materially incorrect or incomplete information provided by Holder to the Corporation) then, unless the Holder has rescinded the applicable Notice of Conversion pursuant to Section 6.5.1, the Corporation shall, at the request of the Holder, pay an amount equal to the Fair Value (as defined below) of such undelivered shares, with such payment to be made within two Business Days from the date of request by the Holder, whereupon the Corporation's obligations to deliver such shares underlying the Notice of Conversion shall be extinguished upon payment in full of the Fair Value of such undelivered shares; provided, however that such request shall be presumed to have been duly and properly made by such Holder if Stockholder Approval shall not have been obtained prior to the date on which the Notice of Conversion is delivered to the Corporation. For purposes of this Section 6.5.3, the "Fair Value" of shares shall be fixed with reference to the last reported Closing Sale Price on the principal Trading Market on which the Common Stock is listed as of the Trading Day immediately prior to, in the case of the Automatic Conversion, the date of the Stockholder Approval, and in the case of an Optional Conversion (or in any other case in accordance with this Section 6.5.3), the Conversion Date. For the avoidance of doubt, the cash settlement provisions set forth in this Section 6.5.3 shall be available irrespective of the reason for the Corporation's failure to timely deliver Conversion Shares (other than a failure caused by materially incorrect or incomplete information provided by Holder to the Corporation) including due to the lack of obtaining Stockholder Approval, or due to applicable Trading Market rules.

6.5.4 Buy-In on Failure to Timely Deliver Certificates. If the Corporation fails to deliver to a Holder the applicable certificate or certificates or to effect a DWAC Delivery, as applicable, by the Share Delivery Date pursuant to Section 6.5.1 (other than a failure caused by materially

incorrect or incomplete information provided by Holder to the Corporation or the application of the Beneficial Ownership Limitation), and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which such Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "***Buy-In***"), then the Corporation shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) such Holder's total purchase price (including any brokerage commissions) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of such Holder, either reissue (if surrendered) the shares of Series A Non-Voting Preferred Stock equal to the number of shares of Series A Non-Voting Preferred Stock submitted for conversion or deliver to such Holder the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6.5.1. For example, if a Holder purchases shares of Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted conversion of shares of Series A Non-Voting Preferred Stock with respect to which the actual sale price (including any brokerage commissions) giving rise to such purchase obligation was a total of $10,000 under clause (A) of the immediately preceding sentence, the Corporation shall be required to pay such Holder $1,000. The Holder shall provide the Corporation written notice, within three (3) Trading Days after the occurrence of a Buy-In, indicating the amounts payable to such Holder in respect of such Buy-In together with applicable confirmations and other evidence reasonably requested by the Corporation. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Corporation's failure to timely deliver certificates representing shares of Common Stock upon conversion of the shares of Series A Non-Voting Preferred Stock as required pursuant to the terms hereof or the cash settlement remedy set forth in Section 6.5.3; provided, however, that the Holder shall not be entitled to both (i) require the reissuance of the shares of Series A Non-Voting Preferred Stock submitted for conversion for which such conversion was not timely honored and (ii) receive the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6.5.1.

6.5.5 Reservation of Shares Issuable Upon Conversion. The Corporation covenants that at all times it will reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of the Series A Non-Voting Preferred Stock, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holders of the Series A Non-Voting Preferred Stock, not less than such aggregate number of shares of the Common Stock as shall be issuable (taking into account the adjustments of Section 7) upon the conversion of all outstanding shares of Series A Non-Voting Preferred Stock. The Corporation covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and non-assessable.

6.5.6 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series A Non-Voting Preferred Stock, no certificates or scrip for any such fractional shares shall be issued and no cash shall be paid for any such fractional shares. Any fractional shares of Common Stock that a Holder of Series A Non-Voting Preferred Stock would otherwise be entitled to receive shall be aggregated with all fractional shares of Common Stock issuable to such Holder and any remaining fractional shares shall be rounded up to the nearest whole share. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Non-Voting Preferred Stock the Holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

6.5.7 Transfer Taxes. The issuance of certificates for shares of the Common Stock upon conversion of the Series A Non-Voting Preferred Stock shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificates, provided that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the registered Holder(s) of such shares of Series A Non-Voting Preferred Stock and the Corporation shall not be required to issue or deliver such certificates unless or until the Person or Persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

6.6 Status as Stockholder. Upon each Conversion Date, (i) the shares of Series A Non-Voting Preferred Stock being converted shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a holder of such converted shares of Series A Non-Voting Preferred Stock shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Corporation to comply with the terms of this Certificate of Designation. In all cases, the Holder shall retain all of its rights and remedies for the Corporation's failure to convert Series A Non-Voting Preferred Stock. In no event shall the Series A Non-Voting Preferred Stock convert into shares of Common Stock prior to the Stockholder Approval.

7. Certain Adjustments.

7.1 Stock Dividends and Stock Splits. If the Corporation, at any time while this Series A Non-Voting Preferred Stock is outstanding: (A) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation upon conversion of this Series A Non-Voting Preferred Stock) with respect to the then outstanding shares of Common Stock; (B) subdivides outstanding shares of Common Stock into a larger number of shares; or (C) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares, then the Conversion Ratio shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Corporation) outstanding immediately after such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately before such event (excluding any treasury shares of the Corporation). Any adjustment made pursuant to this Section 7.1 shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision or combination.

7.2 Fundamental Transaction. If, at any time while this Series A Non-Voting Preferred Stock is outstanding, (A) the Corporation effects any merger or consolidation of the Corporation with or into another Person or any stock sale to, or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, share exchange or scheme of arrangement) with or into another Person, (B) the Corporation effects any sale, lease, transfer or exclusive license of all or substantially all of its assets in one transaction or a series of related transactions, (C) any tender offer or exchange offer (whether by the Corporation or another Person) is completed pursuant to which more than 20% of the Common Stock not held by the Corporation or such Person is exchanged for or converted into other securities, cash or property, or (D) the Corporation effects any reclassification of the Common Stock or any compulsory share exchange pursuant (other than as a result of a dividend, subdivision or combination covered by Section 7.1) to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a "***Fundamental Transaction***"), then, upon any subsequent conversion of this Series A Non-Voting Preferred Stock the Holders shall have the right to receive, in lieu of the right to receive Conversion Shares, for each Conversion Share that would

have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of one share of Common Stock (the "***Alternate Consideration***"). For purposes of any such subsequent conversion, the determination of the Conversion Ratio shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holders shall be given the same choice as to the Alternate Consideration it receives upon any conversion of this Series A Non-Voting Preferred Stock following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Corporation or surviving entity in such Fundamental Transaction shall file a new certificate of designations at the effective time of such Fundamental Transaction, with the same terms and conditions and issue to the Holders new preferred stock consistent with the foregoing provisions and evidencing the Holders' right to convert such preferred stock into Alternate Consideration. The terms of any agreement to which the Corporation is a party and pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 7.2 and insuring that this Series A Non-Voting Preferred Stock (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction. The Corporation shall cause to be delivered to each Holder, at its last address as it shall appear upon the stock books of the Corporation, written notice of any Fundamental Transaction at least 20 calendar days prior to the date on which such Fundamental Transaction is expected to become effective or close. Notwithstanding anything to the contrary herein, the Corporation's disposition of certain assets pursuant to the CVR Agreement shall not constitute a Fundamental Transaction.

7.3 Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/10,000th of a share, as the case may be. For purposes of this Section 7, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

8. Redemption. The shares of Series A Non-Voting Preferred Stock shall not be redeemable; provided, however, that the foregoing shall not limit the ability of the Corporation to purchase or otherwise deal in such shares to the extent otherwise permitted hereby and by law, nor shall the foregoing limit the Holder's rights under Section 6.5.3.

9. Transfer. A Holder may transfer any shares of Series A Non-Voting Preferred Stock together with the accompanying rights set forth herein, held by such holder without the consent of the Corporation; provided that such transfer is in compliance with applicable securities laws. The Corporation shall in good faith (a) do and perform, or cause to be done and performed, all such further acts and things, and (b) execute and deliver all such other agreements, certificates, instruments and documents, in each case, as any holder of Series A Non-Voting Preferred Stock may reasonably request in order to carry out the intent and accomplish the purposes of this Section 9. The transferee of any shares of Series A Non-Voting Preferred Stock shall be subject to the Beneficial Ownership Limitation applicable to the transferor as of the time of such transfer.

10. Series A Non-Voting Preferred Stock Register. The Corporation shall maintain at its principal executive offices (or such other office or agency of the Corporation as it may designate by notice to the Holders in accordance with Section 11), a register for the Series A Non-Voting Preferred Stock, in which the Corporation shall record (a) the name, address, and electronic mail address of each holder in whose name the shares of Series A Non-Voting Preferred Stock have been issued and (b) the

name, address, and electronic mail address of each transferee of any shares of Series A Non-Voting Preferred Stock. The Corporation may deem and treat the registered Holder of shares of Series A Non-Voting Preferred Stock as the absolute owner thereof for the purpose of any conversion thereof and for all other purposes. The Corporation shall keep the register open and available at all times during business hours for inspection by any holder of Series A Non-Voting Preferred Stock or his, her or its legal representatives.

11. Notices. Any notice required or permitted by the provisions of this Certificate of Designation to be given to a Holder of shares of Series A Non-Voting Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the Delaware General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

12. Book-Entry; Certificates. The Series A Non-Voting Preferred Stock will be issued in book-entry form; provided that, if a Holder requests that such Holder's shares of Series A Non-Voting Preferred Stock be issued in certificated form, the Corporation will instead issue a stock certificate to such Holder representing such Holder's shares of Series A Non-Voting Preferred Stock. To the extent that any shares of Series A Non-Voting Preferred Stock are issued in book-entry form, references herein to "certificates" shall instead refer to the book-entry notation relating to such shares.

13. Waiver. Any waiver by the Corporation or a Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Designation or a waiver by any other Holders, other than as expressly set forth herein. The failure of the Corporation or a Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver by the Corporation or a Holder must be in writing. Notwithstanding any provision in this Certificate of Designation to the contrary, any provision contained herein and any right of the Holders of Series A Non-Voting Preferred Stock granted hereunder may be waived as to all shares of Series A Non-Voting Preferred Stock (and the Holders thereof) upon the written consent of the Holders of not less than a majority of the shares of Series A Non-Voting Preferred Stock then outstanding, provided, however, that the Beneficial Ownership Limitation applicable to a Holder, and any provisions contained herein that are related to such Beneficial Ownership Limitation, cannot be modified, waived or terminated without the consent of such Holder, provided further, that any proposed waiver that would, by its terms, have a disproportionate and materially adverse effect on any Holder shall require the consent of such Holder(s).

14. Severability. Whenever possible, each provision hereof shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision hereof is held to be prohibited by or invalid under applicable law, then such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating or otherwise adversely affecting the remaining provisions hereof.

15. Status of Converted Series A Non-Voting Preferred Stock. If any shares of Series A Non-Voting Preferred Stock shall be converted or redeemed by the Corporation, such shares shall, to the fullest extent permitted by applicable law, be retired and cancelled upon such acquisition, and shall not be reissued as a share of Series A Non-Voting Preferred Stock. Any share of Series A Non-Voting Preferred Stock so acquired shall, upon its retirement and cancellation, and upon the taking of any action required by applicable law, resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series A Non-Voting Preferred Stock.

Exhibit 3.2

ANNEX A

NOTICE OF CONVERSION

(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF SERIES A NON-VOTING CONVERTIBLE PREFERRED STOCK)

The undersigned Holder hereby irrevocably elects to convert the number of shares of Series A Non-Voting Preferred Stock indicated below, represented in book-entry form, into shares of common stock, par value $0.0001 per share (the "***Common Stock***"), of Virios Therapeutics, Inc., a Delaware corporation (the "***Corporation***"), as of the date written below. If securities are to be issued in the name of a Person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Capitalized terms utilized but not defined herein shall have the meaning ascribed to such terms in that certain Certificate of Designation of Preferences, Rights and Limitations of Series A Non-Voting Convertible Preferred Stock (the "***Certificate of Designation***") filed by the Corporation with the Secretary of State of the State of Delaware on October 7, 2024.

As of the date hereof, the number of shares of Common Stock beneficially owned by the undersigned Holder (together with such Holder's Attribution Parties), including the number of shares of Common Stock issuable upon conversion of the Series A Non-Voting Preferred Stock subject to this Notice of Conversion, but excluding the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series A Non-Voting Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to a limitation on conversion or exercise, is _____. For purposes hereof, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable regulations of the Commission. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission.

CONVERSION CALCULATIONS:

Date to Effect Conversion:	
Number of shares of Series A Non-Voting Preferred Stock owned prior to Conversion:	
Number of shares of Series A Non-Voting Preferred Stock to be Converted:	
Number of shares of Common Stock to be Issued:	
Address for delivery of physical certificates:	

For DWAC Delivery, please provide the following:

Broker No.: _____

Account No.: _____

[HOLDER]

By: _____
Name: _____
Title: _____

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: May 9, 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: May 9, 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 March 31, 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: May 9, 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 March 31, 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: May 9, 2025

/s/ Angela Walsh

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

Exhibit 99.1

UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF DOGWOOD THERAPEUTICS, INC.

The undersigned, being all members of the Board of Directors (the "***Board***") of Dogwood Therapeutics, Inc., a Delaware corporation (the "***Corporation***"), acting by written consent in lieu of a special meeting, pursuant to Section 141(f) of the Delaware General Corporation Law ("***DGCL***"), as amended, permitting such action to be taken, hereby consent to, adopt and approve the following resolutions as of May 8, 2025 and direct that an executed copy of this Unanimous Written Consent of the Board (this "***Written Consent***") be filed with the minutes of the proceedings of the Board:

RATIFICATION RESOLUTIONS

WHEREAS, the Board has been advised that upon a review of the Corporation's records, it was determined that there are certain authorization defects that create uncertainty with respect to certain prior acts taken by the Corporation;

WHEREAS, Section 204 of the DGCL provides that no "defective corporate act" shall be void or voidable solely as a result of a "failure of authorization" (as used herein, in each case, as such terms are defined in subsection (h) of Section 204 of the DGCL ("***Section 204***")) if ratified as provided in Section 204;

WHEREAS, the Board has determined that it is advisable and in the best interests of the Corporation and its stockholders to adopt the following resolutions in order to ratify the defective corporate acts and putative stock issuance set forth below, in each case pursuant to Section 204 and applicable common law;

WHEREAS, on October 7, 2024, the Corporation entered into the Share Exchange Agreement with Sealbond Limited, pursuant to which the Corporation acquired 100% of the issued and outstanding common shares of Pharmagesic (Holdings) Inc. in exchange for, among other things, the issuance by the Corporation to Sealbond Limited of 2,108.3854 shares of the Corporation's Series A Non-Voting Convertible Preferred Stock, par value $0.0001 per share (the "***Series A Preferred Stock***" and such transaction, the "***Combination***");

WHEREAS, in connection with the Combination, the Corporation issued 105.4190 shares of Series A Preferred Stock to its financial advisor;

WHEREAS, in connection with the Combination, the Corporation agreed that it would pay to holders of the Series A Preferred Stock a payment-in-kind dividend at a rate equal to five percent (5.0%) per annum payable in shares of Series A Preferred Stock by April 7 (such issuance, the "***Dividend***") and that the obligation to pay the Dividend would be reflected in the Certificate of Designation of Preferences, Rights and Limitations of the Series A Non-Voting Convertible Preferred Stock (the "***Certificate of Designation***").

WHEREAS, on October 4, 2024, the Board approved the Combination along with, among other things, a form of Certificate of Designation providing for the designation of 2,213.8044 shares of Series A Preferred Stock and fixing the voting powers, designation, preferences and relative, participating, optional and other special rights, and qualifications, limitations or restrictions thereof, of the shares of Series A Preferred Stock, including the Corporation's obligation to pay the Dividend.

WHEREAS, on October 7, 2024, the Corporation filed the Certificate of Designation with the Secretary of State of the State of Delaware ("***Secretary***") and issued 2,213.8044 shares of Series A Preferred Stock.

WHEREAS, on April 7, 2025, the Corporation issued 55.3450 shares of Series A Preferred Stock (the "***Dividend Shares***") to the holders of the shares of Series A Preferred Stock in respect of the Dividend.

WHEREAS, the Board has determined that the Corporation had sufficient surplus, as defined in and computed in accordance with Sections 154 and 244 of the DGCL to make the Dividend in accordance with Section 170(a) of the DGCL, as of each of October 7, 2024 and April 7, 2025.

WHEREAS, the Board has determined that its approval of the Combination failed to include due authorization of the issuance of the Dividend Shares and that the Certificate of Designation as approved by the Board and filed with the Secretary designated fewer shares of Series A Preferred Stock than required to pay the Dividend and issue the Dividend Shares as contemplated by the Board.

WHEREAS, in consultation with counsel, the Board has determined that (i) issuance of the Dividend Shares may constitute a defective corporate act due to the failure to have been duly authorized and/or documented in the manner required by Sections 152, 153, 157 and 170 of the DGCL, as applicable, and the failure of the Certificate of Designation to have authorized a sufficient number of shares of Series A Preferred Stock and (ii) as a result, the Dividend Shares may be "putative stock" (as used herein, as such term is defined in Section 204(h) of the DGCL);

WHEREAS, the Board has determined that it is advisable and in the best interests of the Corporation and its stockholders, pursuant to and in accordance with Section 204 and applicable common law, (i) to ratify the Dividend and issuance of putative stock related thereto and, in connection therewith, to approve the filing of a certificate of validation in the form prescribed by Section 204 of the DGCL in respect thereof (the "***Certificate of Validation***"), each pursuant to and in accordance with Section 204 of the DGCL, and (ii) to provide notice of the ratification of the defective corporate acts and putative stock set forth herein;

WHEREAS, pursuant to Section 204(c) of the DGCL, the Corporation is not required to submit the ratification to the stockholders for approval; and

WHEREAS, pursuant to Section 204(g) of the DGCL, the Corporation is required to give prompt notice of the ratification to all holders of valid stock in accordance with such section, as of a date within 60 days of the adoption of these resolutions, which notice will be deemed to have

been given if disclosed in a document publicly filed by the Corporation with the Securities and Exchange Commission (the "***SEC***") pursuant to §13, §14, or §15(d) of the Securities Exchange Act of 1934 (such notice, the "***Notice***").

NOW THEREFORE, BE IT RESOLVED, that the Dividend and the issuance of the putative stock related thereto are the defective corporate acts to be ratified hereby; and be it

FURTHER RESOLVED, that an amount equal to the aggregate par value of the Dividend Shares be, and hereby is, directed to declared as capital in accordance with Section 173 of the DGCL; and be it

FURTHER RESOLVED, that the date of authorization of the Dividend be, and hereby is, October 4, 2024; and be it

FURTHER RESOLVED, that the date of issuance and the number of Dividend Shares issued on such dates are set forth in the below table:

Date of Issuance	**Number of Dividend Shares**
April 7, 2025	55.3450

; and be it

FURTHER RESOLVED, that the nature of the failure of authorization in respect of the Dividend is (i) the failure of the Board to authorize the Dividend and the issuance of the Dividend shares related thereto in accordance with Sections 152, 153, 157 and 170 of the DGCL, as applicable and (ii) the failure of the Certificate of Designation to have designated a sufficient number of shares of Series A Preferred Stock; and be it

FURTHER RESOLVED, that, pursuant to and in accordance with Section 204 and applicable common law, the ratification of the Dividend be, and hereby is, approved, adopted and confirmed in all respects and the Dividend Shares issued thereunder are authorized, ratified and approved in all respects; and be it

FURTHER RESOLVED, that the Board hereby approves the execution and filing with the Secretary of State of the State of Delaware a certificate of validation in the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, that the Chief Executive Officer and the Chief Financial Officer (collectively, the "***Authorized Officers***") of the Corporation be, and each of them acting alone, hereby is, authorized, empowered and directed, for and on behalf of the Corporation, to execute and file, or cause to be filed, with the Secretary, the Certificate of Validation; and be it

FURTHER RESOLVED, that the Authorized Officers of the Corporation be, and each of them acting alone, hereby is, authorized, empowered and directed to deliver to the stockholders of the Corporation a Notice disclosing the ratification; and be it

GENERAL AUTHORITY AND RATIFICATION

RESOLVED, that the Authorized Officers of the Corporation be, and each of them hereby is, authorized, empowered and directed, on behalf and in the name of the Corporation, to prepare or cause to be prepared and to execute, deliver, verify, acknowledge, file or record any documents, instruments, certificates, statements, papers, or any amendments thereto, as may be deemed necessary or advisable in order to effectuate the transactions contemplated by the foregoing resolutions, and to take such further steps and do all such further acts or things as shall be necessary or desirable to carry out the transactions contemplated by the foregoing resolutions; and be it

RESOLVED FURTHER, that the authority and power given hereunder be deemed retroactive and any and all acts authorized hereunder performed prior to the passage of these resolutions, are hereby ratified and approved; and be it

RESOLVED FURTHER, that this Written Consent of the Board may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. This Written Consent of the Board shall be filed with the minutes of the proceedings of the Board; and be it

IN WITNESS WHEREOF, the undersigned, being each and every member of the Board, do hereby consent to the foregoing action on the dates set forth below.

IN WITNESS WHEREOF, the undersigned have executed this Written Consent as of May 8, 2025.

/s/ Greg Duncan
Greg Duncan

/s/ Abel De La Rosa
Abel De La Rosa, Ph.D.

/s/ David Keefer
David Keefer

/s/ John C. Thomas, Jr.
John C. Thomas, Jr.

/s/ Melvin Toh, MD
Melvin Toh, M.B.B.S.

/s/ Richard J. Whitley, MD
Richard J. Whitley, MD

/s/ Alan Yu
Alan Yu

Exhibit A

Certificate of Validation