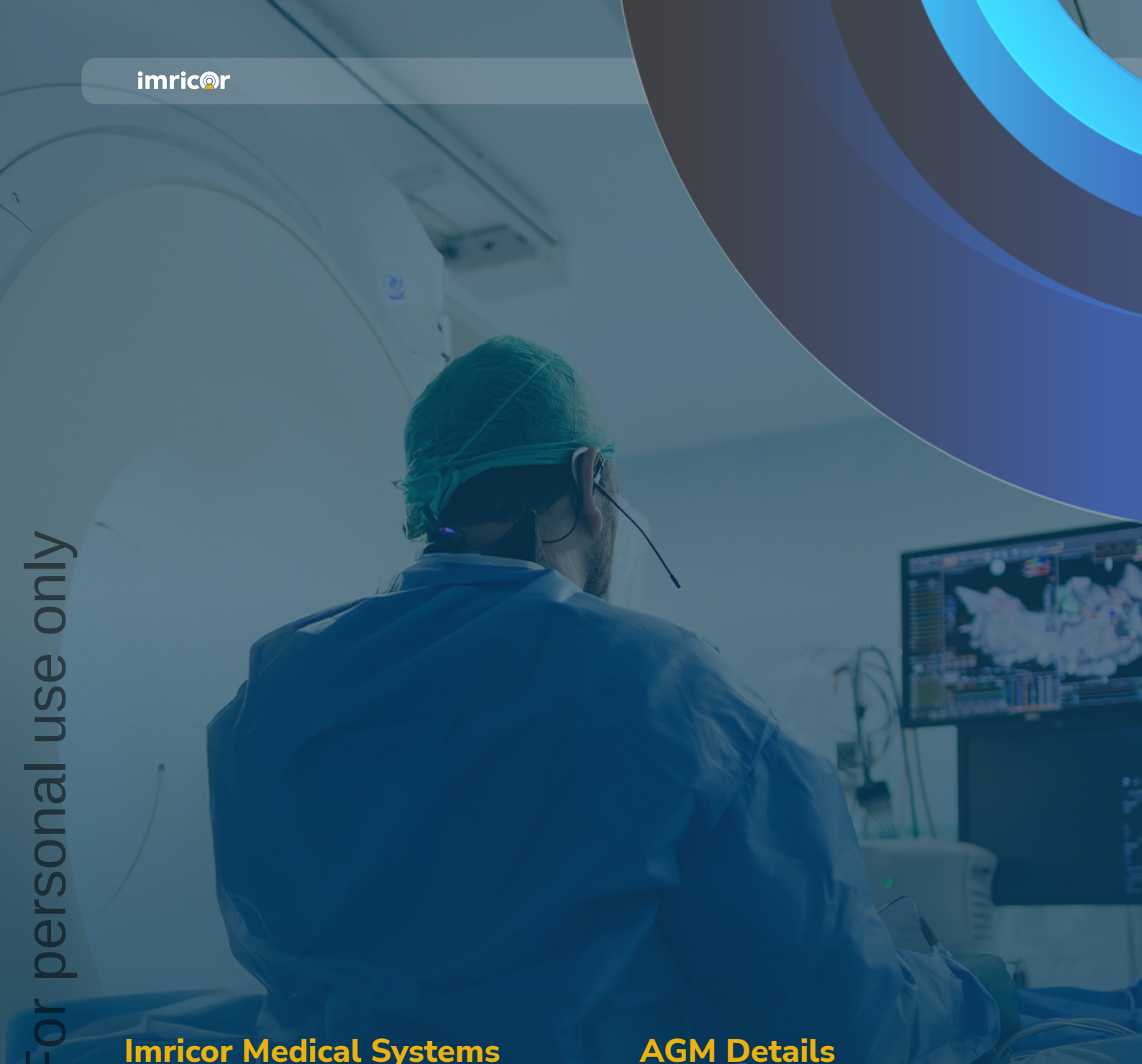
Imricor Medical Systems, Inc.
ASX:IMR



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Annual Report
2025

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Imricor Medical Systems

Imricor Medical Systems, Inc. (ASX:IMR) is striving to make interventional medical procedures better, safer, and more cost effective by making it possible for these procedures to be performed under real-time magnetic resonance imaging (MRI) guidance, rather than under x-ray fluoroscopy guidance, thus taking advantage of MRI's superior imaging capabilities.

About this report

Imricor Medical Systems, Inc. listed on the Australian Securities Exchange (ASX) and commenced trading on 30 August 2019. References to "Imricor" or "the Company" in this Annual Report are references to Imricor Medical Systems, Inc. The information contained in this report reflects the results for Imricor for the year ended 31 December 2025.

AGM Details

Imricor will hold its Annual Meeting of Stockholders on Friday, 8 May 2026 at 9:00 am Sydney time (on Thursday, 7 May 2026 at 6:00 pm U.S. Central Daylight Time).

This is a completely virtual Annual Meeting. Stockholders can watch and participate in the Annual Meeting virtually via the online platform by visiting meetnow.global/MRHKTNF on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

Further details are provided to stockholders in Imricor's Notice of Annual Meeting.



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Chairman's Letter

Dear Shareholder,

Setting The Stage For Commercial Scale

There are some years in the life of a company when the work is important, and then there are years when the work changes what is possible. 2025 was one of those years for Imricor.

Since founding the company, we have carried a simple but ambitious belief: that interventional medicine can be made materially better by bringing the full power of MRI into the procedure itself. Not beside the procedure. Not before it. During it. We have believed that if physicians could see soft tissue, scar, anatomy, and the effect of therapy in real time, they could treat patients more precisely, more safely, and more effectively. That belief has guided this company for almost two decades, and during 2025 it moved closer than ever to broad commercial reality.

IT IS MY GREAT PLEASURE TO WELCOME YOU TO THE 2025 ANNUAL REPORT FOR IMRICOR MEDICAL SYSTEMS.

Your company entered 2025 with the hardest technical problems behind it. We exited 2025 with something even more important - clear demonstration that the platform is ready for scale.

Clinical Progress

Perhaps the most important achievement of the year was clinical. At Amsterdam University Medical Center, physicians successfully performed the first-in-human ischemic ventricular tachycardia ablation under real-time MRI guidance.

That was not simply another procedural milestone. It was a moment that matters for the entire field.

VT remains one of the most difficult and least satisfactory ablation procedures under conventional X-ray guidance. To perform that procedure under MRI, and to do so successfully, was a powerful validation of what Imricor has built and of where this field is heading. I believe history will look back on that achievement as a genuine inflection point.

Regulatory Momentum

We also made outstanding progress on the regulatory front. In Europe, we received CE Mark approval under MDR for our second-generation ablation catheter and capital equipment, and we received CE Mark approval for NorthStar, the world's only MRI-native 3D mapping and guidance system. These approvals are meaningful. MDR is one of the most demanding regulatory frameworks in the world, and success there reflects the maturity and completeness of the technology platform the team has built.

In the United States, 2025 was a year of substantial forward movement. We completed a large human factors study involving clinical teams from roughly twenty U.S. hospitals to support FDA approval activities. We submitted NorthStar and the Vision-MR Diagnostic Catheter for 510(k) clearance, submitted the second of four PMA modules, and expanded the VISABL-AFL clinical program. This work is not always visible from the outside, but it is essential. It is the disciplined, detailed work that turns innovation into approved products and ultimately into broad clinical access.

"It is my great pleasure to welcome you to the 2025 annual report for Imricor Medical Systems."

STEVE WEDAN
Executive Chair, President and CEO



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Commercial Progress

Commercially, we began to see momentum build during the year.

We completed integration of NorthStar with the Philips MRI platform, unlocking access to a large installed base of MRI systems. We strengthened our commercial team in Europe and increased engagement with physicians and hospitals interested in establishing a new platform to take patient care to the next level.

As a result, our European pipeline expanded significantly during the year. That kind of growth does not happen by accident. It reflects physician interest, hospital interest, and growing recognition that MRI-guided ablation is moving toward real-world adoption.

We also saw encouraging progress internationally. In Saudi Arabia, construction began on new iCMR labs and nearly one hundred physicians attended the iCMR summit in Riyadh alongside a leading KOL from Europe. When doctors show up in those numbers to learn about a new way of practicing medicine, it tells you something. It tells you the interest is real.

Strengthening Leadership

As the company moves from technology development toward global scale, leadership becomes increasingly important.

During 2025 we were pleased to welcome Aldo Denti to the Imricor Board of Directors. Aldo brings more than three decades of global medical device leadership experience, including senior roles at Johnson & Johnson MedTech where he led the Global Orthopaedics business to approximately US$9 billion in annual revenue. He has spent his career scaling complex healthcare organizations, building global commercial infrastructure, and bringing innovative technologies to market. His experience will be extremely valuable as Imricor enters its next phase of growth.

One of the strengths of Imricor that I am particularly proud of is the stability of our senior management team. Many of the leaders building this company have been here for a long time, which is unusual in the medical device industry. Across our executive leadership team, the average tenure at Imricor is approaching a decade.

Equally important is the depth of industry experience this group brings. On average, members of our executive team each have more than twenty years of experience in the medical device and healthcare industries. Collectively they have led global product launches, navigated complex regulatory pathways, built manufacturing and quality systems, and scaled commercial organizations.

That combination of long tenure at Imricor and deep industry experience provides an important foundation as the company moves into its next phase of growth.

Financial Position

Financially, we strengthened the company during the year while continuing to invest in growth.

We completed a successful institutional capital raise, carefully managed operating expenses, and finished the year with a strong balance sheet. This financial position provides the resources necessary to continue advancing our regulatory programs, expanding commercial activities, and supporting the growing number of clinical sites adopting the iCMR platform.

Looking Ahead

When I reflect on 2025, what excites me most is not any single milestone, important as many of them were. It is the overall shift in the company's position.

For many years, Imricor was proving that MRI-guided electrophysiology was technically possible. Today we are demonstrating that it is clinically valuable, commercially viable, and increasingly accessible to hospitals around the world.

The opportunity ahead of us remains very large. Cardiac ablation is a rapidly growing global market, and physicians continue to search for ways to improve the precision and effectiveness of these procedures. Our platform was built to address exactly that challenge.

Looking ahead, 2026 is shaping up to be the year it all comes together. We expect continued regulatory progress towards full platform approval in the United States. Expansion of our VISABL-VT clinical trial into major sites of influence in Europe, additional site activations, and further growth of our commercial activities in Europe and the Middle East.

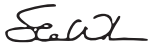
I want to thank the entire Imricor team for the remarkable work that made this progress possible. Building something new in medicine requires persistence, creativity, and belief, and our employees demonstrate those qualities every day.

I would also like to thank our physician partners, our board of directors, and the many collaborators who continue to help move this field forward.

Finally, I want to thank you, our shareholders. Many of you have supported Imricor for years because you understood that truly meaningful medical innovation takes time. I believe the company you have supported is now entering one of the most exciting periods in its history.

Together, we are not simply building a company. We are helping establish a new standard of care.

Yours faithfully,



Steve Wedan
Executive Chair, President and CEO

Board of Directors



STEVE WEDAN

Executive Chair, President, and CEO

Joined Board in May 2006

Mr Wedan co-founded the Company in 2006 and has served as CEO since that time. Mr Wedan is responsible for the overall management and strategic direction of the Company.

Mr Wedan has over 30 years of experience in the medical device industry including design engineering of MRI and ultrasound systems for GE Healthcare, as well as Vice President and Chief Technology Officer for Applied Biometrics Inc. Immediately prior to co-founding Imricor, Mr Wedan founded and operated a technical consulting company, Wedan Technologies Inc., from 2000-2006. Mr Wedan is a member of various international standards committees in the fields of MRI safety and the compatibility of implanted and interventional products in MRI.

Mr Wedan currently serves on the Advisory Board of Poiesis Medical, LLC.

Mr Wedan holds a Bachelor of Science in Electrical Engineering from Michigan Technological University (summa cum laude), and a Master of Science in Electrical Engineering from Marquette University.



MARK TIBBLES

Deputy Chair and Lead Independent Director

Chair of the Nomination and Remuneration Committee

Member of the Audit and Risk Committee

Joined Board in September 2014

Mr Tibbles is an entrepreneur, business owner, company director and active venture investor in and advisor to technology, life science and medical device companies.

Mr Tibbles is currently a Board Member of FamGenix, Inc., a leading provider of genetic risk assessment tools that help identify patients at hereditary risk of disease; Co-Founder and Board Member of PERMnet, Inc.; a Managing Member of STEM Fuse, LLC; and the Managing Director of Strategic Stage Ventures, LLC.

Prior to his current roles, Mr Tibbles was a Board member of the Nerdery, LLC as well as an owner and member of Intuitive Technology Group until it was sold in 2017. Mr Tibbles was also a President and founder of PRC Consulting, Inc., a company specialising in the management and implementation of IT projects for Fortune 1000 Companies, from 1998 until 2013, when PRC was sold.

Mr Tibbles holds a Bachelor of Arts from Oral Roberts University.



PETER MCGREGOR

Non-Executive Director

Chair of the Audit and Risk Committee

Member of the Nomination and Remuneration Committee

Joined Board in May 2019

Mr McGregor has over 30 years of experience in senior finance and management roles, including having been a partner in the investment banking firm of Goldman Sachs JBWere and a managing director in the institutional banking & markets division of Commonwealth Bank of Australia. He is also a former Chief Financial Officer of the ASX50 transport company, Asciano Limited (ASX: AIO), and Chief Operating Officer of ASX listed Australian Infrastructure Fund Limited (ASX: AIX).

Mr McGregor is an experienced company director, and currently serves as a Director of Treasury Corporation of Victoria and Green Eco International Limited, and is a former director of Pivotal Systems Corporation (ASX: PVS), TRUE Infrastructure Management Pty Ltd, and the Brisbane Lions Australian Football Club.

Mr McGregor holds a Bachelor of Commerce from the University of Melbourne, is a member of the Australian Institute of Company Directors and a Fellow of the Financial Services Institute of Australasia.

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ANITA MESSAL

Non-Executive Director

Member of the Audit and Risk Committee

Member of the Nomination and Remuneration Committee

Joined Board in March 2021

Ms Messal is an executive with 40 years of demonstrated accomplishments across a wide variety of functions. With a substantial career in healthcare and benefits, she has experience in health plan services, health care delivery, care management, and benefits administration.

Ms Messal has extensive experience in public, private, and non-profit sectors, working in both domestic and international markets. She has led various areas of company performance, including sales, product, operations, and technology. Her responsibilities have encompassed M&A integration, data exchange, account management, customer service, system development, information security, product development, national accounts, project management, vendor management, strategic systems, legal, human resources, and learning & development. Ms Messal has also played a significant role in fundraising from start-up through IPO and sale to strategic buyers and private equity.

Ms Messal currently serves on the Board of Directors of Ideon as Executive Chair and is an Advisor to Poiesis Medical. She holds a Bachelor of Arts from the University of Minnesota and a Master of Business Administration from the University of Minnesota - Carlson School of Management.



JEFFREY LEIGHTON

Non-Independent Non-Executive Director

Joined Board in July 2024

Dr Leighton is a cognitive neuroscientist with extensive experience in both academic and corporate settings. He holds a PhD in Cognitive Psychology from Grand Canyon University and has a robust research, teaching, and leadership background.

Beyond his academic achievements, Dr Leighton has demonstrated strong business acumen as CFO at NDS Wellness, a regional (23 states) provider of mobile neuroimaging and wellness centers. He was pivotal in the company's growth phase, managing financial operations and working closely with the CEO. NDS Wellness offered comprehensive services, including mobile wellness clinics, telehealth, and health screenings, to large corporations and self-insured companies.

Dr Leighton has held key corporate governance and advisory roles, including serving as an Institutional Review Board (IRB) member at a non-profit neuromodulatory research center.



ALDO DENTI

Non-Executive Director

Joined Board in November 2025

Mr Denti has over 30 years of global experience in the medical device industry.

Mr Denti is currently the Chief Commercial Officer for Dentsply Sirona. Prior to this role, he was the Company Group Chairman of Global Orthopaedics for Johnson & Johnson MedTech. Since becoming Company Group Chairman in 2019, Mr Denti grew the business to US$9 billion in annual sales, making it the world's largest orthopaedics company.

Prior to his role in orthopaedics, Mr Denti served as Global Leader at Johnson & Johnson Vision, where he modernized the organization and introduced critical new skill sets in strategic planning, insights & analytics, e-commerce, and business model innovation. Mr Denti's other experiences include various Sales and Marketing roles with companies such as DePuy, Medtronic, and Pfizer.

Mr Denti holds a Bachelor of Arts, with Specialized Honors, from York University.

Executive Team

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STEVE WEDAN

Executive Chair, President, and CEO

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JONATHON GUT

Vice President of Finance and Chief Financial Officer

Mr Gut joined Imricor in 2020 and has served as the Company's Chief Financial Officer since July 2022.

Mr Gut has over 15 years of accounting and finance experience, the last 14 of them in the medical device industry, having previously worked for both private and publicly owned companies, including Galil Medical and Boston Scientific.

Mr Gut holds a Bachelor of Accounting from the University of Minnesota- Duluth and a Master of Accountancy from the University of Minnesota- Twin Cities. He is a licensed Certified Public Accountant.



GREGG STENZEL

Vice President of Research and Development

Mr Stenzel joined Imricor in 2007 and commenced his role as Vice President of Research and Development in January 2026, where he is responsible for all hardware and software development activities.

From January 2021 through December 2025, Mr Stenzel served as Imricor's Chief Operating Officer and was responsible for leading the execution of Imricor's strategic plan across most functional areas of the business. Prior to January 2021, Mr Stenzel served as Imricor's Vice President of Operations with responsibility for the Company's operations and the development of manufacturing strategies, including personnel, facilities and outsourcing. Mr Stenzel has over 25 years of medical device experience with deep knowledge in new product development, supply chain management, quality and regulatory systems and customer support.

Mr Stenzel holds a Bachelor of Science in Electrical Engineering from the University of Wisconsin - Madison and a Master of Business Administration from the University of Minnesota - Carlson School of Management.



NICK CORKILL

Vice President of Corporate Strategy

Mr Corkill joined Imricor in 2024 and is responsible for Corporate Strategy, Investor Communications and Capital Markets.

Prior to joining Imricor, Mr Corkill spent 15 years in Asset Management initially as an Equity Analyst at Perpetual Investments followed by 7 years as an Analyst and Portfolio Manager at BlackRock Inc. and more recently as Portfolio Manager of the Lennox Capital Future Leaders Fund.

Mr Corkill holds a Bachelor of Commerce from Lincoln University and a Bachelor of Arts from University of Canterbury.



JENNIFER WEISZ

Vice President of Regulatory and Quality

Ms Weisz joined Imricor in 2012 and commenced her current role in 2018. Ms Weisz is responsible for implementing and managing the Company's regulatory strategy and quality system.

Ms Weisz has over 25 years of experience in the medical device industry, including product development, clinical evidence development, quality system implementation, and regulatory strategy development and implementation. Prior to joining the Company, Ms Weisz was a member of the Medtronic Global Clinical Operations Quality team.

Ms Weisz holds a Bachelor of Science in Electrical Engineering from North Dakota State University and a Master of Science in Technical Management from the University of St. Thomas.

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VIC FABANO

Vice President of Operations

Mr Fabano joined Imricor in 2023 and is responsible for developing and leading operations strategies related to manufacturing, procurement, and field service.

Mr Fabano has more than 25 years of experience in the medical device industry, holding executive positions in Operations, Quality, and Product Development. His expertise is efficiently scaling up the supply chain and operations infrastructure to support rapid growth, profitability, and quality. Prior to joining Imricor, Mr Fabano was Vice President of Operations and Quality at Osprey Medical for 11 years, and served in a similar capacity for several start-ups to midsize medical device firms in the greater Minneapolis/St. Paul area.

Mr Fabano has a bachelor's degree in Mechanical Engineering from the University of North Dakota.



NICK TWOHY

Vice President of Marketing and Business Development

Mr Twohy joined Imricor in 2019 and is responsible for global portfolio management, including the product roadmap, product management, marketing teams and communications.

Mr Twohy has over 20 years of experience in the medical device industry. Most recently he worked as the International Marketing Director for Medtronic in the Cardiac Resynchronisation Therapies business. There he led business planning and execution for the International Markets. Prior to that role, Mr Twohy led multiple product launches at Medtronic including various launches in the CareLink remote monitoring business, and in the Cardiac Rhythm Management business where he led the US launch of the Revo MRI pacemaker system.

Mr Twohy holds a Bachelor of Arts from Hamline University and a Master of Business Administration from the University of St. Thomas.



GREG ENGLEHARDT

Vice President of Global Sales

Mr Englehardt joined Imricor in 2018 and is responsible for developing and managing the Company's global sales strategies and performance.

Mr Englehardt has more than 25 years of experience working in the medical device industry with 18 years of sales leadership experience. Prior to joining the Company, Mr Englehardt served as Regional Business Director at Medtronic from 2011 to 2018. Before joining Medtronic, he worked at NeuroMetrix from 2004 until 2011, where he was promoted to multiple sales and leadership roles including Director of Global Business Development/Sales and National Director of Sales.

Mr Englehardt also served as a combat medic in the U.S. army and holds a Bachelor of Science in Nursing from Louisiana State University.



KATE LINDBORG

Vice President of Clinical Affairs

Dr Lindborg joined Imricor in 2020 and is responsible for developing the company's clinical strategy and leading preclinical and clinical investigations.

Dr Lindborg has over 15 years of experience in the medical device industry primarily focused on clinical study development, execution, and evidence generation. Prior to joining the Company, Dr Lindborg held various roles within Medtronic's Cardiac Rhythm and Heart Failure and Diagnostics Clinical organizations. Dr Lindborg's roles included leading pre and post-market clinical investigations, managing evidence generation, and clinical strategy development to gain and maintain market approval of novel devices.

Dr Lindborg holds a Doctor of Philosophy and Master of Science in Physiological Sciences from the University of Arizona as well as a Bachelor of Arts from Gustavus Adolphus College.

imricor

Operating & Financial Review

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Operating & Financial Review

Overview

Imricor Medical Systems is a medical technology company pioneering the field of interventional magnetic resonance imaging. Founded in 2006 and headquartered in Burnsville, Minnesota, Imricor is developing and commercializing MRI-compatible products that enable physicians to perform complex cardiac procedures under real-time magnetic resonance imaging guidance.

Our focus is on a new category of procedures known as **interventional cardiac magnetic resonance**, or **iCMR**. These procedures are performed inside an MRI scanner and use MRI imaging to guide therapy delivery inside the heart. Imricor's first application of iCMR technology is cardiac ablation, a procedure used to treat cardiac arrhythmias such as atrial fibrillation.

For decades, cardiac ablations have been performed using X-ray fluoroscopy as the primary imaging modality. While fluoroscopy allows physicians to visualize the position of catheters, it does not provide direct visualization of cardiac tissue or the lesions created during ablation therapy. As a result, physicians must rely on indirect indicators when treating arrhythmias.

MRI offers a fundamentally different approach. MRI can provide detailed visualization of the heart's anatomy and tissue characteristics, including the arrhythmogenic substrate responsible for abnormal heart rhythms. Importantly, MRI also offers the potential to visualize the ablation lesions created during the procedure, allowing physicians to assess the effectiveness of therapy before the patient leaves the lab.

Imricor's technology enables physicians to perform these procedures entirely under MRI guidance. By combining MRI-compatible devices with specialized workflow and mapping technologies, we are helping create a new procedural environment that offers the potential for improved clinical insight, more efficient procedures, and better outcomes for patients.

Another important advantage of iCMR is the elimination of ionizing radiation. Traditional electrophysiology laboratories rely on X-ray imaging, exposing both patients and medical staff to radiation. Over time, this exposure has raised increasing concern within the medical community, particularly for physicians and staff who spend their careers working in X-ray environments and wearing heavy lead protection.

By moving these procedures into the MRI suite, iCMR eliminates radiation exposure and removes the need for lead protective garments, creating a safer and more comfortable working environment for physicians and clinical staff.

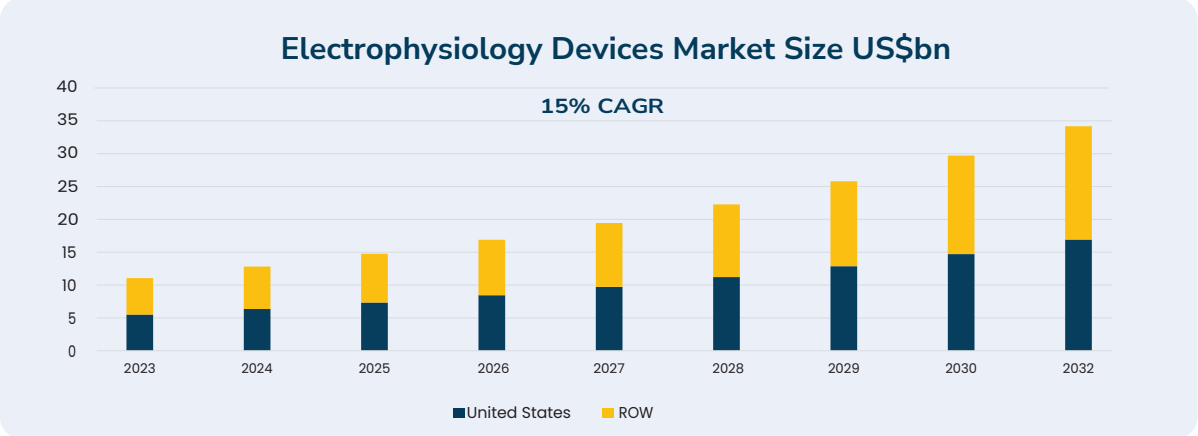
Imricor believes MRI-guided cardiac procedures represent one of the most significant advances in electrophysiology in decades. Through continued innovation, clinical adoption, and collaboration with leading hospitals around the world, we are working to establish iCMR as the next generation platform for the treatment of cardiac arrhythmias

Business strategy and opportunities

Imricor's products are designed to operate in a global cardiac catheter ablation market which is estimated to be in excess of US$12 billion worldwide in 2025, with a CAGR of 15% out to 2032. The global growth is underpinned by several favourable drivers, including rising incidences of cardiac disease due to changing demographic trends, a shift towards minimally invasive procedures, and cost savings that have been associated with catheter ablation as a treatment method for certain arrhythmias.

A key strategic priority is expanding the number of active MRI-guided electrophysiology (EP) laboratories. The Company works with hospitals, physicians, and MRI manufacturers to establish dedicated interventional cardiac MRI suites capable of performing complex ablation procedures. These sites serve as important reference centres that demonstrate the feasibility and clinical benefits of MRI-guided procedures, supporting broader market adoption over time.

Geographically, the Company continues to focus on regions where regulatory approvals have already been obtained and where early clinical adoption is occurring. Europe remains an important market given the existing CE mark approvals and the presence of several pioneering centres performing MRI-guided EP procedures. Expansion into the Middle East is progressing with several new iCMR labs under construction in both Saudi Arabia and Qatar. At the same time, the Company continues to progress regulatory pathways in the United States, the world's largest electrophysiology market.



Source: S&S Insider Strategy and Stats

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Following receipt of CE mark approval for the Vision-MR Ablation Catheter, Imricor has commenced a controlled release of its key products across Europe, with an installed base across Germany, the Netherlands, France, Hungary, Italy, Switzerland and Croatia. Imricor aims to expand its installed base with a dedicated European sales team targeting clinical sites across these and other European countries.

Within each targeted country, Imricor will first target ablation centres which historically have carried out larger volumes of procedures or which have influential key opinion leaders.

The Company is focused on establishing new iCMR labs which are owned and controlled by cardiology to support higher procedure volumes at each site. Imricor believes targeting locations which are geographically proximate to existing clinical sites may also promote growth.

In the Middle East, Imricor has entered into distribution agreements with Al Faisaliah Medical Systems (FMS) in the Kingdom of Saudi Arabia and East Agency WLL, (Firm of The Holding) [East Agency] in Qatar. These agreements establish FMS and East Agency as the exclusive distributor of Imricor's consumable products and capital equipment in the respective territories. Following the European approvals of Imricor's second generation equipment and devices, the Company is in final stages of completing the in market registrations required in the Middle East to commercialise the second generation products.

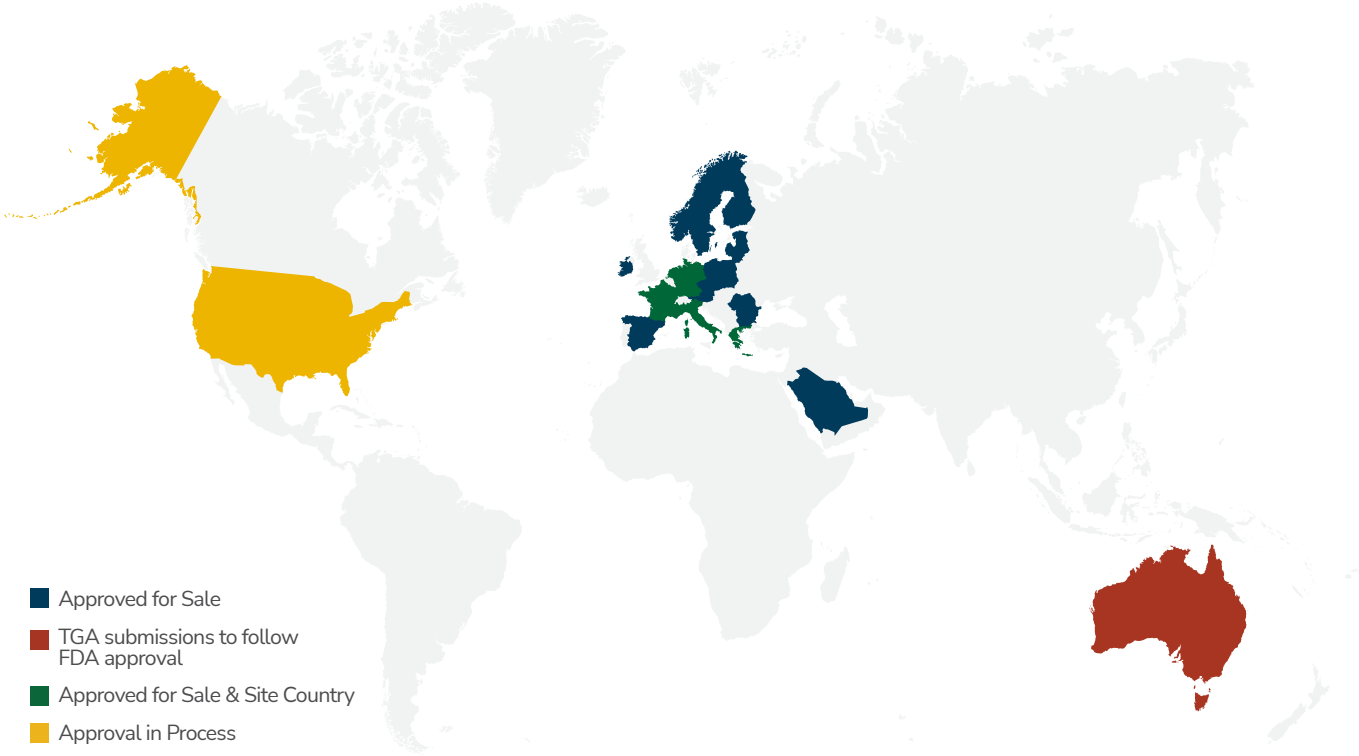
In the United States, Imricor is progressively establishing the regulatory approvals required for the full platform of technologies that enable MRI-guided cardiac ablation procedures. The Company's regulatory strategy reflects the multi-component nature of the iCMR system, which includes mapping technologies, catheters, and energy delivery systems designed to operate safely within the MRI environment.

Devices classified as Class II medical devices are being submitted to the U.S. Food and Drug Administration (FDA) through the 510(k) clearance pathway, which is used for devices that can demonstrate substantial equivalence to previously cleared products. Devices classified as Class III, including the Vision-MR Ablation Catheter and associated radiofrequency (RF) generator, require approval through the more rigorous Premarket Approval (PMA) pathway.

The FDA has allowed the Company to structure its PMA submission using a modular approach, which enables components of the application to be submitted and reviewed in stages. The first three modules address areas such as manufacturing, preclinical testing, and supporting data required for the technology platform. The fourth and final module is designed to demonstrate the safety and effectiveness of the Vision-MR Ablation Catheter 2.0 and the associated RF Generator through clinical evidence.

This clinical evidence is being generated through the Company's global clinical trial, Vision-MR Ablation of Atrial Flutter (VISABL-AFL). The VISABL-AFL study is a prospective, single-arm, multi-center interventional trial designed to demonstrate the safe and effective use of the Vision-MR Ablation Catheter 2.0 for the treatment of Type I atrial flutter, a common and well-understood cardiac arrhythmia that is frequently treated with catheter ablation.

The study is expected to enroll up to 91 patients across clinical sites in the United States and Europe. An interim analysis will be conducted after 76 patients have completed their 7-day follow-up, with final clinical follow-up occurring three months after the procedure.



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The first patients in the study were treated at the Cardiovascular Institute of South Paris (ICPS), followed by patient enrollment at Johns Hopkins Hospital, Lausanne University Hospital (CHUV), and Amsterdam University Medical Center. To further accelerate patient enrollment, three additional U.S. centers have recently joined the trial: University of Virginia Health, Virginia Commonwealth University, and the Oklahoma Heart Institute.

The VISABL-AFL study builds upon earlier clinical experience with MRI-guided cardiac ablation. Notably, a similar study conducted at Leipzig Heart Center supported the Company's CE Mark approval in 2020 and demonstrated 100% chronic effectiveness in the treatment of atrial flutter.

Through this structured regulatory pathway and the continued expansion of clinical evidence, Imricor is working toward establishing FDA approval for the first comprehensive platform enabling MRI-guided cardiac ablation procedures in the United States.

Expanding indications – Ventricular Tachycardia

While Imricor's initial commercial focus has been on atrial arrhythmias, the Company believes the long-term opportunity for MRI-guided electrophysiology may be even more transformative in the treatment of ventricular tachycardia (VT). VT is a serious and potentially life-threatening arrhythmia that commonly occurs in patients with ischemic cardiomyopathy, where prior heart attacks have created scar tissue in the heart muscle that can serve as the substrate for abnormal electrical circuits.

Ventricular tachycardia ablation also represents a significant and growing segment of the global cardiac ablation market. While atrial fibrillation procedures account for the majority of electrophysiology lab volume, VT ablations are among the most complex procedures performed in cardiac electrophysiology and are typically conducted at major tertiary care centers. As the population of patients living with ischemic heart disease and implantable cardiac devices continues to grow, the number of patients eligible for VT ablation is expected to increase. VT procedures are also among the most resource-intensive procedures in electrophysiology, often requiring longer procedure times, advanced mapping technologies, and highly specialized physician expertise. Imricor believes that the ability of MRI to directly visualize myocardial scar and arrhythmogenic substrate may be particularly valuable in this patient population, potentially enabling more precise and effective treatment of these complex arrhythmias.

Today, VT ablation procedures are typically performed under X-ray fluoroscopy with electro-anatomical mapping used to approximate the location of arrhythmogenic scar tissue. However, physicians must rely on indirect signals and reconstructed maps to identify the critical substrate responsible for the arrhythmia. MRI offers a fundamentally different approach. MRI can directly visualize myocardial scar and tissue characteristics, allowing physicians to see the arrhythmogenic substrate itself rather than infer its location from electrical signals alone. MRI also provides the potential to assess ablation lesion formation periprocedurally, offering physicians the ability to confirm therapy delivery during the procedure.

These capabilities are particularly important in VT ablation, where arrhythmias often originate from complex scar structures deep within the ventricular myocardium. The ability to directly visualize scar, guide catheter placement relative to that substrate, and assess lesion formation has the potential to significantly improve the precision and effectiveness of VT ablation procedures.

During the year, the Company commenced a real-time iCMR-guided ventricular tachycardia ablation clinical trial in Europe. The study, named Vision-MR Ablation of VT (VISABL-VT), is a prospective, single-arm, multi-centre interventional investigation evaluating the safety and efficacy of radiofrequency (RF) ablation of ventricular tachycardia associated with ischemic cardiomyopathy using the Vision-MR Ablation Catheter 2.0 within the iCMR environment.

The VISABL-VT study is designed to enroll 64 patients, with each patient followed for six months following the procedure, consistent with typical VT ablation clinical studies. Regulatory approvals were initially obtained in the Netherlands, followed by ethics approval at Amsterdam University Medical Center, one of the world's leading centers in MRI-guided electrophysiology.

Additional clinical sites are planned to support accelerated patient enrollment, with the German competent authority already providing regulatory clearance for participation in the study.

Imricor believes that successful execution of the VISABL-VT trial will represent an important step toward expanding the clinical indications for MRI-guided ablation therapy in Europe and demonstrating the potential of iCMR to address some of the most challenging arrhythmias treated in electrophysiology today.

Imricor achieved a significant milestone in demonstrating the feasibility of MRI-guided VT ablation. Physicians at Amsterdam University Medical Centre successfully performed the world's first ischemic ventricular tachycardia ablation guided entirely by MRI. The procedure was conducted in a patient with an implantable cardioverter-defibrillator (ICD), representing another important advancement given the complexity of imaging patients with implanted cardiac devices.

The procedure marked several historic firsts for the field of interventional cardiac MRI. Physicians performed the first transseptal puncture guided entirely by MRI, allowing access from the right atrium to the left side of the heart without the use of X-ray imaging or intracardiac echogram (ICE). Following transseptal access, the team completed the first MRI-guided electrophysiology mapping within the left ventricle, enabling characterization of ventricular electrical activity in the MRI environment. The physicians then delivered radiofrequency ablation therapy using Imricor's MRI-compatible catheter system, successfully eliminating the patient's ventricular tachycardia. This procedure represents the first successful VT ablation ever performed in a human using MRI guidance.

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NorthStar Mapping System

NorthStar represents a pivotal advancement for Imricor and marks an important milestone in the evolution of MRI-guided cardiac ablation. Designed as the cornerstone of Imricor's next-generation ablation platform, NorthStar integrates seamlessly with the Company's MRI-compatible catheter technologies and procedural workflow while introducing enhanced capabilities for real-time visualization, improved workflow efficiency, and greater precision in the treatment of cardiac arrhythmias.

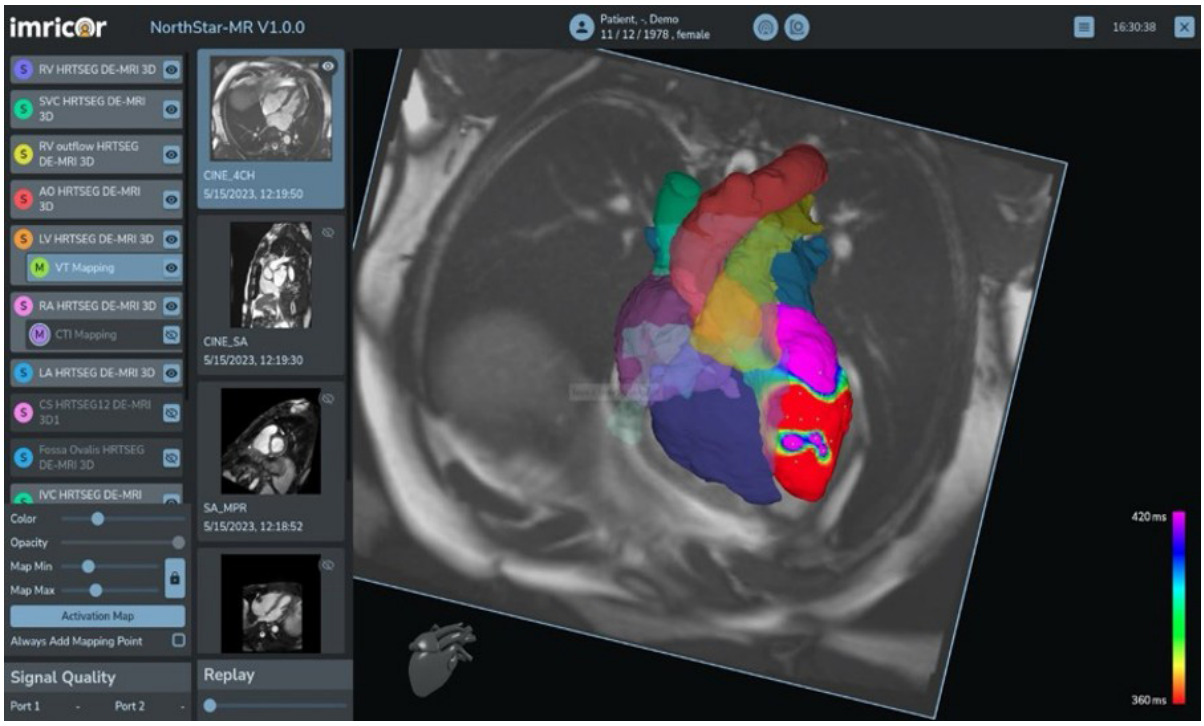
In conventional electrophysiology procedures performed under X-ray fluoroscopy, physicians rely on electroanatomical mapping systems to build three-dimensional reconstructions of the heart and identify the electrical pathways responsible for arrhythmias. These systems use electrical signals collected by catheters within the heart to create maps that help physicians locate the origin of abnormal rhythms and guide ablation therapy. While these mapping technologies have become a standard component of modern electrophysiology procedures, they were designed for use in fluoroscopy-based laboratories and are not compatible with the MRI environment.

NorthStar has been purpose-built by Imricor to address this limitation. The system enables physicians to perform electrophysiological mapping within the MRI scanner, integrating electrical signal acquisition with high-resolution MRI imaging. By combining electrical information with the anatomical and tissue visualization capabilities of MRI, NorthStar provides physicians with a powerful new tool to guide therapy delivery with greater confidence and precision.

The integration of mapping and MRI imaging has the potential to simplify procedural workflow while providing deeper insight into arrhythmia mechanisms.

MRI can directly visualize cardiac anatomy, myocardial scar, and other structural features that may contribute to arrhythmias, while the NorthStar system allows physicians to correlate this structural information with electrical activation patterns recorded within the heart. Together, these capabilities may enable physicians to more accurately identify arrhythmogenic substrate and tailor ablation therapy accordingly.

NorthStar also represents an important step toward establishing a fully integrated MRI-guided electrophysiology platform. When combined with Imricor's MRI-compatible ablation catheters, diagnostic catheters, and supporting procedural tools, the NorthStar system helps create a comprehensive technology ecosystem designed specifically for the iCMR environment. This integrated approach is intended to support efficient procedural workflows and facilitate broader adoption of MRI-guided electrophysiology procedures.



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Regulatory clearances for NorthStar have now been received in both Europe and the United States. The successful introduction of NorthStar is expected to further strengthen Imricor's platform and support continued expansion of MRI-guided interventional procedures globally.

As electrophysiology continues to evolve toward more precise, image-guided therapies, Imricor believes the integration of advanced mapping technologies with real-time MRI guidance represents a significant step forward in advancing image guided therapies more broadly. Through innovations such as NorthStar, the Company is working to help establish MRI-guided electrophysiology as a new paradigm for interventional cardiac care.

Material business risks

The material business risks faced by the Company that have the potential to impact the financial prospects of the Company include:

- **Regulatory risk:** The sale of Imricor's products requires regulatory approval in each relevant jurisdiction. The Company is not assured of receiving future regulatory clearances for its existing products outside of the European Union or approvals for expanding indications or additional products currently in Imricor's product pipeline.
- **Market adoption risk:** The ability of Imricor to generate revenue is dependent on hospitals and clinics with ablation centres in markets where it obtains the required regulatory approval establishing an iCMR lab and adopting Imricor's MRI-compatible technology for cardiac catheter ablation procedures. While Imricor works collaboratively with leading MRI vendors to drive lab adoption, there can be no guarantee on the outcome.
- **Market competition risk:** Imricor expects to generate the vast majority of future revenue from the sale of its products used for MRI-guided cardiac catheter ablation procedures. The medical device industry is competitive, subject to rapid change, and significantly affected by new product introductions. There are a number of other products and devices on the market which are not traditionally MRI-compatible, but which are commonly used to perform conventional cardiac catheter ablation procedures. To this end, the Company will compete with larger companies who manufacture and sell ablation and diagnostic electrophysiology products.

Beyond these risks, the Company maintains general risk exposure associated with employee capability, intellectual property, and potential financial capacity constraints within the healthcare sector.

Financial performance

For the year ended 31 December 2025, the Company generated revenue of US$0.292 million compared to US$0.959 million for the prior corresponding period (PCP) due to decreased product sales, largely driven by decreased sales of third-party equipment and the Company's consumable devices.

Consumable device sales during 2025 were impacted by European customer sites enrolling patients in our VISABL-AFL clinical trial, which are non-revenue generating, whereas those same sites were treating patients in commercial procedures during the PCP. Total product sales of US$0.208 million were down US$0.558 million, or 73%, compared to the PCP.

Imricor reported a net loss of US$25.319 million compared to US$29.693 million in the prior corresponding period. When adjusting the current and prior periods for charges recognized on the change in fair value of the convertible notes, option liabilities, and warrant liabilities, as well as the foreign currency exchange gains, the net loss for the year would have been US$20.991 million, an increase of 33% compared to US$15.753 million in the PCP.

Financial position

For the 12-month period ending 31 December 2025, Imricor's net cash outflow from operations was US$19.081 million compared to US$15.574 million for the prior corresponding period.

Net cash outflows from investing activities of US$21.712 million were up compared to US$0.075 million for the prior corresponding period due to investments in marketable securities, which consist of fixed income instruments with original maturities greater than three months from the date of purchase. Marketable securities held at 31 December 2025 represent investments made in fixed income instruments with remaining maturities less than six months and have a minimum credit rating of A-1/P-1 as rated by Standard and Poor's or Moody's.

Net cash inflows from financing activities of US$43.046 million were predominately associated with the equity placement completed in March 2025.

At 31 December 2025, Imricor had cash and cash equivalents of US$19.502 million and marketable securities of US$21.278 million, for total liquidity of US$40.780 million. At 31 December 2024, the Company had cash and cash equivalents of US$15.708 million.

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Directors' Report

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Directors' Report

Principal activities

Imricor is a US-based medical device company focused on addressing the current issues with traditional x-ray guided ablation procedures through the development of MRI-guided technology.

The principal activities of Imricor during the course of the year were to design, manufacture and sell MRI-compatible products for cardiac catheter ablation procedures to treat arrhythmias.

There were no significant changes in the nature of the activities of the Company during the year.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Company during the year.

Operating and financial review

The operating and financial review is set out on pages 11 to 15 of this Annual Report.

Directors qualifications and experience

The directors of Imricor at any time during or since the end of the financial year are:

Director	Appointed
Steve Wedan	May 2006
Mark Tibbles	September 2014
Peter McGregor	May 2019
Anita Messal	March 2021
Jeffrey Leighton	July 2024
Aldo Denti	November 2025

The specific duties, qualifications and experience of each Director are set out on pages 6 to 7 of this Annual Report.

Company secretary

Mr Kobe Li was appointed as the Australian company secretary and local agent in April 2019. Mr Li provides company secretarial and corporate governance consulting services to ASX listed companies. Mr Li has previously worked at the ASX Listings Compliance team for eight years as a Senior Adviser. Mr Li is a member of the Governance Institute of Australia.

Directors' meetings

The number of Directors' meetings (including meetings of Committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Board		Audit & Risk Committee		Nomination & Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
Steve Wedan	3	3	–	–	–	–
Mark Tibbles	3	3	6	6	1	1
Peter McGregor	3	3	6	6	1	1
Anita Messal	3	3	6	6	1	1
Jeffrey Leighton	3	2	–	–	–	–
Aldo Denti	–	–	–	–	–	–

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Mr Wedan is an invitee and attends the Audit & Risk Committee and Nomination & Remuneration Committee meetings.

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Directors' interests

In this section, reference is made to Share ownership. The instruments registered for trade on the Australian Securities Exchange are CHESS Depositary Interests (CDIs). One CDI is equivalent to one Share.

The relevant interest of each Director in the Shares and stock options of Imricor, as notified by the Directors to the Australian Securities Exchange (ASX) in accordance with ASX Listing Rule 3.19A.2, at the date of this report is as follows:

Director	Number of Shares	Number of Options
Steve Wedan	5,083,586	7,739,560
Mark Tibbles	6,028,813	526,806
Peter McGregor	914,135	246,906
Anita Messal	391,864	38,340
Jeffrey Leighton	245,746	-
Aldo Denti	-	-

Directors' directorships in other listed entities

Please refer to the Board of Directors section above.

Dividends

No dividends were paid or declared by Imricor during the year.

Subsequent events

In January 2026, the Company received 510(k) clearance under the premarket notification process from the U.S. Food and Drug Administration ("FDA") for its Vision MR Diagnostic Catheter and its NorthStar Mapping System. At 31 December 2025, the related performance based stock options associated with these regulatory milestones were assessed as not probable of achievement under ASC 718 and, accordingly, no stock based compensation expense was recognized for these awards as of that date. The January 2026 FDA clearances caused the related performance conditions to be satisfied and certain performance-based stock options to vest, and the Company expects to recognize approximately US$$773,000 of additional stock based compensation expense during 2026 in connection with these awards.

On 18 March 2026, the Company filed a registration statement on Form 10 with the U.S. Securities and Exchange Commission. This event occurred after the reporting period and was filed as a result of exceeding certain holder of record thresholds set forth in Section 12(g) of the U.S. Securities Exchange Act of 1934 (Exchange Act). The Form 10 is not being used to conduct a U.S. initial public offering or a U.S. stock exchange listing. The Form 10 will become effective (i) automatically by lapse of time 60 days following the filing of the Form 10 or (ii) within such shorter period as the SEC may direct, at which point the Company will become a U.S. public reporting company and therefore will be subject to periodic reporting requirements of the Exchange Act.

Likely developments

Imricor will continue to pursue its product and geographic-led growth strategy, with a focus on product distribution and the establishment of new customer sites in existing markets, as well as expansion into new markets.

Further information about likely developments in the operations of Imricor and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Environmental regulation

Imricor is not subject to any significant environmental regulation under United States legislation.

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Indemnities and insurance of officers

As permitted under Delaware law, Imricor indemnifies its Directors and certain officers and is permitted to indemnify employees for certain events or occurrences that happen by reason of their relationship with, or position held at, Imricor. The Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws provide for the indemnification of its Directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law.

Imricor has entered into indemnification agreements with its Directors and certain officers to this effect, including advancement of expenses incurred in legal proceedings to which the Director or officer was, or is threatened to be made, a party by reason of the fact that such Director or officer is or was a Director, officer, employee or agent of Imricor, provided that such a Director or officer acted in good faith and in a manner that the Director or officer reasonably believed to be in, or not opposed to, the Company's best interests. At present, there is no pending litigation or proceedings involving a Director or officer for which indemnification is sought, nor is the Company aware of any threatened litigation that may result in claims for indemnification.

Imricor maintains insurance policies that indemnify the Company's Directors and officers against various liabilities that might be incurred by any Director or officer in his or her capacity as such. The premium paid has not been disclosed as it is subject to confidentiality provisions under the insurance policy.

Corporate governance

Imricor's Corporate Governance Statement is available on the Imricor website at https://imricor.com/corporate-governance/.

Non-audit services

During the year, the Company's auditor, BDO USA, P.C., did not perform other services beyond the audit and review of the financial statements. The following table summarizes fees for professional audit services rendered to us by BDO USA, P.C. for the years ended 31 December 2025 and 2024.

	2025 US$	2024 US$
Audit Fees	852,935	227,596

The increase in audit fees from 2024 to 2025 primarily reflects additional audit procedures required for compliance with the standards of the Public Company Accounting Oversight Board in connection with our SEC registration and reporting obligations.

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Jurisdiction of incorporation

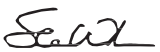
Imricor is a company incorporated in the State of Delaware in the United States and registered in Australia as a foreign company. As a foreign company registered in Australia, Imricor is subject to different reporting and regulatory regimes than Australian public companies.

Presentation currency

The functional and presentation currency of the Company is United States Dollars (US Dollars). The financial report is presented in US Dollars with all references to Dollars, cents or $'s in these financial statements presented in US currency, unless otherwise stated.

Directors' authorisation

This Directors' Report is made out in accordance with a resolution of the Directors.



Steve Wedan, Chairman
23 March 2026

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Remuneration Report

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Remuneration Report

Imricor is a Delaware domiciled company that is listed on the Australian Securities Exchange and as such is subject to remuneration disclosure requirements that are suitable for reporting in both Australia and the United States. This remuneration report forms part of the Directors' Report and has been prepared using the requirements of section 300A of the *Australian Corporations Act 2001* (Cth) as a proxy to determine the contents that the Board has chosen to report.

The Report details the remuneration arrangements for Imricor's key management personnel (KMP):

- Non-Executive Directors (NEDs);
- President and Chief Executive Officer (CEO), Steve Wedan;
- Chief Operating Officer (COO), Gregg Stenzel; and
- Chief Financial Officer (CFO), Jonathon Gut.

KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company. The titles set forth above reflect the positions in which each KMP served during financial year ended 31 December 2025 for purposes of the compensation reported below. Effective 1 January 2026, Mr Stenzel's title changed from Chief Operating Officer to Vice President of Research and Development.

Role of the Board and Nomination and Remuneration Committee

The Board and its Nomination and Remuneration Committee are responsible for reviewing and approving remuneration and incentive policies and practices. The Company has a clear distinction between the structure of Non-Executive Directors' remuneration and that of the President and CEO, Steve Wedan, COO, Gregg Stenzel and CFO, Jonathon Gut.

The Nomination and Remuneration Committee:

- Establishes processes for the identification of suitable candidates for appointment to the Board;
- Establishes processes for reviewing the performance of individual Directors, the Board as a whole, and Board committees;
- Determines executive remuneration policy and Non-Executive Director remuneration policy;
- Reviews all equity-based incentive plans and makes recommendations to the Board regarding their adoption and implementation; and
- Ensures that the remuneration policies of Imricor are balanced and do not reward behaviour that is inconsistent with its values.

The Nomination and Remuneration Committee comprises three Non-Executive Directors: Mark Tibbles (Chair), Peter McGregor, and Anita Messal.

The Nomination and Remuneration Committee has a formal charter which can be viewed on the Company's website at https://imricor.com/corporate-governance/.

Use of external remuneration advisors

From time to time the Nomination and Remuneration Committee may, at its discretion, appoint external advisors or instruct management to compile information as an input to decision making. No external advisors were engaged to provide remuneration benchmarking services during the year.

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Principles of compensation

Imricor's remuneration framework is designed to support and reinforce its principal strategic objectives. The purpose is to create a reward and incentive framework that produces remuneration outcomes that are aligned to corporate financial and operational performance, as well as the interest of stockholders, having regard to high standards of corporate governance.

The Company aims to reward executives with a level and mix of remuneration appropriate to their position, experience and responsibilities, while being market competitive and enabling the Company to structure awards that may conserve cash reserves due to the Company's current stage of development.

2025 remuneration structure

Imricor's executive compensation packages include a mix of fixed and variable compensation, and short and long-term performance-based incentives.

The Company aims to provide a competitive base salary with reference to the role, market and experience of the individual. The performance of the Company and the individual are considered during the annual remuneration review.

Short-term incentive component

The Company allocates cash bonuses linked to annual performance targets determined by the Board. These targets are established to promote and reward outstanding performance, beyond what is expected in the ordinary course of business. The target STI opportunity is set as a percentage of fixed remuneration. For 2025 the maximum target opportunity was 50% for the President and CEO, Steve Wedan, 40% for the COO, Gregg Stenzel, and 30% for the CFO, Jonathon Gut.

Performance targets determined by the Board in relation to 2025 are summarized in the table below:

Performance Target	
Product pipeline and regulatory approvals	50%
Financial	25%
Commercialisation and strategic initiatives	25%
Total	**100%**

Long-term incentives component

Imricor's 2019 Equity Incentive Plan (2019 Plan) provides equity-based compensation for individuals that is linked to service, the growth and profitability of the Company, and increases in stockholder value. The 2019 Plan is designed to align the interests of management with its stockholders, while maintaining a total remuneration opportunity that enables the Company to retain, attract and motivate qualified and high-performing executives.

The 2019 Plan replaced the 2016 Stock Option Plan, with the Company ceasing to grant new awards under the 2016 Plan in February 2019. The predecessor to the 2016 Plan was the 2006 Plan. The rules of all plans were released to the ASX on 30 August 2019 and copies are available on the ASX Announcements section of the Company's website at https://imricor.com/investors/.

Other benefits

Certain other benefits are afforded to the KMP including medical, dental, vision, life, disability, and other employee benefit plans, in each case on the same basis as all other employees. The Company pays some or all the premiums for medical, dental, vision, and life insurance for all employees, including the KMP. We generally do not provide perquisites or personal benefits to our KMP.

In addition, Imricor provides U.S. employees, including each of the KMP, the opportunity to participate in a 401(k) retirement plan. Under the terms of the plan, eligible U.S. employees may make elective deferrals of compensation on a pre-tax or after-tax (Roth) basis, up to the statutorily prescribed annual limits on contributions under the Internal Revenue Code of 1986, as amended (the "Code"). As a safe harbor 401(k) plan, the Company makes matching contributions equal to 100% of each participant's elective deferrals up to 3% of compensation, plus 50% of deferrals between 3% and 5% of compensation.

Share options

Options granted

The following options were granted during CY25:

- 300,000 options with exercise price of US$0.90, expiring 17 February 2035
- 30,000 options with exercise price of US$0.97, expiring 25 March 2035
- 8,178,951 options with exercise price of US$1.07, expiring 14 May 2035
- 90,000 options with exercise price of US$1.10, expiring 11 June 2035
- 15,000 options with exercise price of US$0.83, expiring 25 July 2035
- 15,000 options with exercise price of US$0.87, expiring 25 August 2035
- 30,000 options with exercise price of US$0.96, expiring 21 October 2035
- 125,000 options with exercise price of US$0.88, expiring 19 November 2035

Shares issued on exercise of options

During CY25 the Company issued Shares as a result of the exercise of options as follows (there are no amounts unpaid on the Shares issued):

Number of Shares	Amount paid on each Share
356,150	US$0.31 - US$0.52

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Unissued shares

At the date of this report, unissued Shares under option are:

Expiry date	Exercise price US$	Time-Based	Performance-Based	Total Numbers of Shares
15 March 2029	0.52	3,503,800	-	3,503,800
30 August 2029	0.98	435,000	-	435,000
17 December 2029	0.75	235,000	-	235,000
6 January 2030	0.80	134,889	53,956	188,845
18 January 2030	0.80	25,000	-	25,000
20 February 2030	1.14	25,000	-	25,000
13 May 2030	0.89	666,495	209,790	876,285
7 October 2030	1.96	200,000	-	200,000
7 April 2031	1.61	10,000	-	10,000
5 May 2031	1.55	150,500	-	150,500
7 May 2031	1.57	120,132	698,665	818,797
10 February 2032	0.65	205,000	-	205,000
6 April 2032	0.47	25,000	-	25,000
9 May 2032	0.28	25,000	2,974,244	2,999,244
26 July 2032	0.21	25,000	174,264	199,264
18 August 2032	0.31	450,000	-	450,000
12 May 2033	0.19	450,000	5,196,446	5,646,446
24 October 2033	0.29	230,000	-	230,000
11 March 2034	0.32	800,000	-	800,000
4 April 2034	0.38	30,000	-	30,000
15 May 2034	0.30	-	7,427,989	7,427,989
30 July 2034	0.38	327,500	-	327,500
10 December 2034	0.68	315,000	-	315,000
17 February 2035	0.90	300,000	-	300,000
25 March 2035	0.97	30,000	-	30,000
14 May 2035	1.07	-	8,178,951	8,178,951
11 June 2035	1.10	90,000	-	90,000
25 July 2035	0.83	15,000	-	15,000
25 August 2035	0.87	15,000	-	15,000
21 October 2035	0.96	30,000	-	30,000
19 November 2035	0.88	125,000	-	125,000
13 January 2036	1.22	120,000	-	120,000

These options do not entitle the holder to participate in any share issuance of the Company.

Executive remuneration during the year

The remuneration of key management personnel in respect of the financial year ended 31 December 2025 is summarised below. The options to be granted under the long-term incentive plan for the CEO in relation to 2026 remuneration must be approved by stockholders at the 2026 Annual Meeting of Stockholders (AGM).

Executive	Base Salary	Short-term Incentive[1]	Long-term Incentive
Steve Wedan President and CEO	US$479,000	US$136,515	455,893 options granted on 14 May 2025 at an exercise price of US$1.07[2] 500,000 options granted on 14 May 2025 at an exercise price of US$1.07[3] 422,719 options to be granted following stockholder approval[4]
Gregg Stenzel COO[5]	US$315,000	US$71,820	286,445 options granted on 14 May 2025 at an exercise price of US$1.07[2] 500,000 options granted on 14 May 2025 at an exercise price of US$1.07[3]
Jonathon Gut CFO	US$280,000	US$47,880	237,617 options granted on 14 May 2025 at an exercise price of US$1.07[2] 500,000 options granted on 14 May 2025 at an exercise price of US$1.07[3]

1. Determined at the discretion of the Board as discussed above and paid in February 2026.

2. 2025 Options

Tranche	Percentage of 2025 Options	Vesting Conditions
1	50%	First U.S. customer site orders product following FDA approval
2	25%	Submission for regulatory approval of first Non-EP product anywhere in the world
3	25%	FDA approval of NorthStar

3. Options shall vest on the last day of the second consecutive fiscal quarter during which the Company generates positive cash flow from operations.

4. Options value determined based on 60% of base salary for 2026 and short-term incentive paid in 2026 for 2025, subject to stockholder approval at Imricor's 2026 AGM. As set out in the Company's Notice of Meeting, the number of Options proposed to be issued to Mr Wedan was determined by dividing the LTI Grant Value by the Black-Scholes value of an Option assuming an exercise price per Option equal to the closing sale price of a CDI as of the immediately preceding trading day prior to the Record Date, converted from Australian Dollars to US Dollars using the prevailing exchange rate.

Tranche	Percentage of 2026 Options	Vesting Conditions
1	40%	10th US customer site established following FDA approval (site issues purchase order for Vision-MR Ablation Catheters)
2	30%	Regulatory approval of first non-ablation product anywhere in the world (not including NorthStar)
3	30%	Investigational Device Exemption ("IDE") approval for a second U.S. clinical trial (after VISABL-AFL)

5. Effective January 1, 2026, Mr Stenzel's title changed from Chief Operating Officer to Vice President of Research and Development.

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Non-Executive Directors (NED)

Under Imricor's Amended and Restated Bylaws, the Directors decide the total amount paid to all Directors for their services as a Director of Imricor. However, under the ASX Listing Rules, the total amount paid to all Directors (excluding the salary of any executive Director) for their services must not exceed in aggregate in any financial year, the amount fixed by Imricor in a general meeting. This amount has been fixed at US$400,000.

The Board seeks to set NED fees at a level that provides the Company with the ability to attract and retain NED of high calibre with relevant professional expertise and reflects the demands that are made on, and the responsibilities of, the NED, while incurring a cost that is acceptable to stockholders. As Imricor's operations are in the initial stages of commercialisation, the Company has structured NED fees to include both cash remuneration and the issuance of restricted stock in order to maintain appropriate remuneration structures and preserve cash flow. Restricted stock issued to NED do not have performance hurdles attached, but are subject to the risk of forfeiture.

NED serving on the board of directors will receive US$65,000 in annual fees. Committee chairs will receive an additional US$10,000 in annual fees. Committee members will receive an additional US$5,000 in annual fees. All fees for Australian NED are inclusive of superannuation. The Chairman, Mr Steve Wedan, receives no remuneration. Non-independent non-executive directors are not eligible to receive compensation under our annual remuneration plan.

The remuneration of Non-Executive Directors in respect of the financial year ended 31 December 2025 is summarised below:

Non-Executive Director	Cash Fees	Restricted Stock Granted[1]
Peter McGregor	US$80,000	41,280
Mark Tibbles	US$80,000	41,280
Anita Messal	US$75,000	38,700
Aldo Denti	US$10,151	Nil
Jeffrey Leighton[2]	Nil	Nil

1. Restricted stock vests annually over four years, 25% on each anniversary of the grant date.
2. Dr Leighton is a Non-Independent Non-Executive Director and therefore is not eligible to receive compensation under our annual remuneration plan.

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Financial Report

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Imricor Medical Systems, Inc.

Minneapolis, Minnesota

Including Independent Auditor's Report

As of and for the years ended
December 31, 2025 and 2024

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Tel: 612-367-3000
Fax: 612-367-3001
www.bdo.com

800 Nicollet Mall, Suite 600
Minneapolis, MN 55402

Independent Auditor's Report

Stockholders and Board of Directors
Imricor Medical Systems, Inc.
Burnsville, Minnesota

Opinion

We have audited the consolidated financial statements of Imricor Medical Systems, Inc. and its subsidiary (the Company), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, P.C.

February 24, 2026

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IMRICOR MEDICAL SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS

As of December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 19,502,348	$ 15,707,739
Marketable securities	21,277,609	-
Accounts receivable	240,866	345,342
Inventory	1,096,065	1,502,048
Prepaid expenses and other current assets	799,786	794,308
Total Current Assets	42,916,674	18,349,437
ACCOUNTS RECEIVABLE, LONG TERM	95,673	141,430
PROPERTY AND EQUIPMENT, NET	1,538,460	1,878,751
INVENTORY, LONG TERM	415,383	327,721
OTHER ASSETS	186,291	208,212
OPERATING LEASE RIGHT OF USE ASSETS	604,256	718,379
TOTAL ASSETS	$ 45,756,737	$ 21,623,930
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 496,073	$ 334,870
Accrued expenses	1,619,954	1,493,095
Current portion of convertible notes (related party)	11,745,700	-
Option liabilities	3,157,717	-
Current portion of contract liabilities	34,035	59,519
Current portion of operating lease liabilities	317,153	259,292
Current portion of financing obligation	-	209,137
Total Current Liabilities	17,370,632	2,355,913
LONG-TERM LIABILITIES		
Convertible notes, net of current portion (related party)	13,268,500	19,869,700
Option liabilities	-	3,135,000
Warrant liabilities	1,828,677	1,532,067
Contract liabilities, net of current portion	1,085,753	1,098,533
Operating lease liabilities, net of current portion	634,043	875,553
Other long-term liabilities	45,828	134,197
Total Liabilities	34,233,433	29,000,963
COMMITMENTS AND CONTINGENCIES (NOTE 6)		
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock, $0.0001 par value:		
25,000,000 shares authorized and 0 shares outstanding as of both December 31, 2025 and 2024	-	-
Common stock, $0.0001 par value:		
535,000,000 shares authorized as of both December 31, 2025 and 2024 and 320,947,028 and 270,175,766 shares issued and outstanding as of December 31, 2025 and 2024, respectively	32,096	27,018
Additional paid in capital	179,089,487	134,875,666
Accumulated deficit	(167,598,279)	(142,279,717)
Total Stockholders' Equity (Deficit)	11,523,304	(7,377,033)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 45,756,737	$ 21,623,930

See accompanying notes to the consolidated financial statements

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IMRICOR MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

For the Years Ended December 31, 2025 and 2024

	2025	2024
REVENUES		
Product revenue	$ 208,376	$ 766,584
Service revenue	83,933	77,091
Consulting revenue	-	115,749
Total Revenues	292,309	959,424
COSTS AND EXPENSES		
Cost of goods sold	2,325,837	1,883,542
Sales and marketing	4,300,264	2,272,044
Research and development	11,155,766	8,180,184
General and administrative	5,301,396	4,920,466
Total Costs and Expenses	23,083,263	17,256,236
Loss from Operations	(22,790,954)	(16,296,812)
OTHER INCOME (EXPENSE)		
Interest income	1,180,294	257,718
Government grant income	658,546	325,332
Foreign currency exchange gain	1,509,925	197,867
Interest expense	(4,169)	(20,065)
Change in fair value of convertible notes (related party)	(5,144,500)	(11,416,400)
Change in fair value of option liabilities	(396,491)	(1,842,240)
Change in fair value of warrant liabilities	(296,610)	(879,551)
Other Expense	(34,603)	(18,680)
Total Other Income (Expense)	(2,527,608)	(13,396,019)
NET LOSS	$ (25,318,562)	$ (29,692,831)
EARNINGS PER SHARE:		
Basic and diluted loss per common share	$ (0.08)	$ (0.13)
Basic and diluted weighted average shares outstanding	308,748,911	223,999,081

See accompanying notes to the consolidated financial statements

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IMRICOR MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

For the Years Ended December 31, 2025 and 2024

	Common Stock		Additional	Accumulated	Total Stockholders'
	Shares	Amount	Paid-in Capital	Deficit	Equity (Deficit)
BALANCES, December 31, 2023	168,918,134	$ 16,893	$ 103,816,628	$ (112,586,886)	$ (8,753,365)
Stock-based compensation expense	-	-	68,769	-	68,769
Issuance of common stock and restricted stock, net of issuance costs of $1,905,897	101,257,632	10,125	30,990,269	-	31,000,394
Net loss	-	-	-	(29,692,831)	(29,692,831)
BALANCES, December 31, 2024	270,175,766	$ 27,018	$ 134,875,666	$ (142,279,717)	$ (7,377,033)
Stock-based compensation expense	-	-	589,611	-	589,611
Issuance of common stock and restricted stock, net of issuance costs of $1,313,030	49,766,651	4,977	42,821,194	-	42,826,171
Exercise of options, net of issuance costs of $3,866	1,004,611	101	803,016	-	803,117
Net loss	-	-	-	(25,318,562)	(25,318,562)
BALANCES, December 31, 2025	320,947,028	$ 32,096	$ 179,089,487	$ (167,598,279)	$ 11,523,304

See accompanying notes to the consolidated financial statements

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IMRICOR MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (25,318,562)	$ (29,692,831)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	798,715	748,165
Stock-based compensation expense	589,611	68,769
Loss (gain) on disposal of property and equipment	25,673	(2,423)
Change in inventory reserves	400,167	60,866
Amortization of right-of-use assets	196,542	172,872
Services performed in exchange for property and equipment	-	(100,000)
Foreign currency exchange gain	(1,509,925)	(197,867)
Change in fair value of related party convertible notes	5,144,500	11,416,400
Change in fair value of option liabilities	396,491	1,842,240
Change in fair value of warrant liabilities	296,610	879,551
Changes in assets and liabilities		
Accounts receivable	151,580	66,277
Inventory	(129,846)	453,877
Prepaid expenses and other assets	16,443	210,586
Accounts payable and other liabilities	41,739	(1,746,136)
Accrued expenses	126,859	702,373
Lease liabilities	(269,490)	(237,019)
Contract liabilities	(38,264)	(219,610)
Net Cash Flows used in Operating Activities	(19,081,157)	(15,573,910)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(434,287)	(77,976)
Proceeds from sale of property and equipment	-	3,000
Purchases of marketable securities	(28,683,359)	-
Proceeds from maturity of marketable securities	7,405,750	-
Net Cash Flows used in Investing Activities	(21,711,896)	(74,976)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock and restricted stock	44,139,201	32,906,291
Issuance costs of common stock and restricted stock	(1,313,030)	(1,905,897)
Proceeds from exercise of options, net of expenses	429,343	-
Payment on promissory note	-	(386,452)
Payments on finance lease liability	-	(65,999)
Proceeds from financing obligation	-	344,050
Payments on financing obligation	(209,137)	(557,779)
Net Cash Flows provided by Financing Activities	43,046,377	30,334,214
Net change in cash and cash equivalents	2,253,324	14,685,328
Cash and cash equivalents - beginning of year	15,707,739	831,522
Effect of foreign currency exchange rate changes on cash and cash equivalents	1,541,285	190,889
Cash and cash equivalents - end of year	$ 19,502,348	$ 15,707,739
Supplemental cash flow disclosure		
Cash paid for interest	$ 4,169	$ 22,855
Noncash investing and financing activities		
Transfer from inventory to property and equipment	$ 48,000	$ 175,207
Property and equipment obtained in exchange for services	$ -	$ 100,000
Property and equipment included in accounts payable	$ 1,810	$ -
Operating lease right of use assets in exchange for operating lease liability	$ 82,419	$ -
Fair value adjustment for for liability-classified options and warrants exercised	$ 373,774	$ -

See accompanying notes to the consolidated financial statements

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 1 – Summary of Significant Accounting Policies

Nature of operations and basis of presentation

Imricor Medical Systems, Inc. is a U.S.-based medical device company that, along with its wholly-owned subsidiary, Imricor B.V. (together, "Imricor" and the "Company"), seeks to address the current issues with traditional x-ray-guided ablation procedures through the development of Magnetic Resonance Imaging ("MRI") guided technology. Incorporated in the State of Delaware in 2006, the Company's principal focus is the design, manufacturing, sale, and distribution of MRI-compatible products for use in Interventional Cardiac Magnetic Resonance ("iCMR") guided ablation procedures. Imricor's technology utilizes an intellectual property ("IP") portfolio that includes technology developed in-house, as well as IP originating from Johns Hopkins University, Koninklijke Philips N.V., and Livetec Ingenieurbuero, GmbH. The Company is headquartered in Burnsville, Minnesota, where it has development and manufacturing facilities. The Company's primary product offering is the Vision-MR Ablation Catheter, which is specifically designed to work under real-time MRI guidance, with the intent of enabling higher success rates along with a faster and safer treatment compared to conventional procedures using x-ray guided catheters. Historically, Imricor generated revenue from licensing some of its IP for use in implantable devices and performing contract research but expects to generate most of its future revenue from the sale of the MRI-compatible products it has developed for use in cardiac catheter ablation procedures (comprising single-use consumables and capital equipment). The Company has obtained CE mark approval to place its key products on the market in the European Union under the European Union's Medical Device Regulation ("EU MDR"), including the Advantage-MR EP Recorder/Stimulator System, Vision-MR Ablation Catheter, Vision-MR Diagnostic Catheter, and NorthStar Mapping System.

The Company has prepared the accompanying consolidated financial statements and notes in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements include the accounts of Imricor Medical Systems, Inc. and its wholly-owned subsidiary, Imricor B.V. All intercompany transactions and balances have been eliminated in consolidation.

The Company's consolidated financial statements and notes are presented in United States dollars, unless otherwise noted, which is also the functional currency.

Cash and Cash Equivalents

Cash and cash equivalents consist of funds in depository accounts, money market funds, and time deposits. The Company considers cash invested in highly liquid financial instruments with original maturities of three months or less at the date of purchase to be cash equivalents. The Company holds cash with high quality financial institutions and, at times, such balances are in excess of federal insurance limits.

Cash and cash equivalents consisted of the following as of December 31:

	2025	2024
Cash and cash equivalents		
Cash	$ 1,637,496	$ 517,765
Money market funds	7,472,940	14,251,177
Time deposits	10,391,912	938,797
Total cash and cash equivalents	$ 19,502,348	$ 15,707,739

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

Marketable Securities

The Company's marketable securities consist of investments in U.S. Treasury bills with original maturities greater than three months from the date of purchase. These securities are classified as held-to-maturity debt securities because the Company has the positive intent and ability to hold them to maturity. Held-to-maturity securities are recorded at amortized cost, adjusted for any allowance for credit losses, with securities having remaining maturities of less than one year classified as current on the consolidated balance sheets.

The Company evaluates held-to-maturity securities for expected credit losses using a qualitative assessment methodology. As of December 31, 2025, no allowance for credit losses was required. U.S. Treasury bills are backed by the full faith and credit of the U.S. government and are considered to have minimal credit risk.

The Company excludes accrued interest from the amortized cost basis of held-to-maturity debt securities. Accrued interest totaled $117,949 as of December 31, 2025. Accrued interest is included in prepaid expenses and other current assets on the consolidated balance sheets. The Company recognizes interest income through accretion of the discount from the purchase price to par value over the holding period. Discount accretion is recognized in interest income on the consolidated statements of operations.

The following table summarizes the gross unrealized gains and losses related to the Company's held-to-maturity marketable securities as of and for the year ended December 31:

	2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (losses)	Fair Value
Marketable securities				
U.S. Treasury bills	$ 21,277,609	$ 98,006	$ -	$ 21,375,615
Total marketable securities	$ 21,277,609	$ 98,006	$ -	$ 21,375,615

The Company held no marketable securities as of December 31, 2024. Fair value is measured using Level 2 inputs (prices for similar assets or liabilities that are directly or indirectly observable in the marketplace). All held-to-maturity U.S. Treasury bills had remaining maturities of less than one year as of December 31, 2025. Purchases and maturities of held-to-maturity securities are presented within cash flows from investing activities in the consolidated statements of cash flows.

Accounts Receivable and Customer Concentrations

Accounts receivable are unsecured, are recorded net of amounts expected for credit losses, and do not bear interest except if a revenue transaction has a significant financing component. The Company reviews the allowance for credit losses by considering factors such as historical experience, current economic conditions that may affect a customer's ability to pay, and reasonable and supportable forecasts. Payment is generally due 30 days from the invoice date. When all collection efforts have been exhausted, the account is written off against the related allowance. To date the Company has not experienced any significant write-offs or significant deterioration of its accounts receivable aging, and therefore, no allowance for credit losses was considered necessary as of December 31, 2025 or 2024.

As of December 31, 2025 and 2024, the Company had total current and long-term accounts receivable of $336,539 and $486,772, respectively, of which $95,673 and $141,430 was included in long-term accounts receivable as of December 31, 2025 and 2024, respectively. Accounts receivable includes unbilled receivables of $45,757 and $44,424 as of December 31, 2025 and 2024, respectively, which represents the current portion of minimum royalties due to the Company during the following year. The long-term accounts receivable relates to minimum royalties due to the Company beyond twelve months from the respective balance sheet date.

NOTE 1 – Summary of Significant Accounting Policies (cont.)

The following table sets forth information related to accounts receivable for the years ended December 31:

	2025	2024
Balance at January 1	$ 486,772	$ 578,411
Decrease from accounts receivable collected	(189,855)	(396,445)
Increase for accounts receivable not yet collected	39,622	304,806
Balance at December 31	$ 336,539	$ 486,772

During the year ended December 31, 2025, the Company had sales from 2 customers that accounted for 40% and 39% of revenue and accounts receivable from 3 customers that represented 65%, 19%, and 15% of the accounts receivable balance. During the year ended December 31, 2024, the Company had sales from 4 customers that accounted for 19%, 17%, 16%, and 15% of revenue and accounts receivable from 4 customers that represented 45%, 17%, 13%, and 12% of the accounts receivable balance.

Inventory

Inventories are stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out ("FIFO") method. The establishment of allowances for excess and obsolete inventories is based on historical usage and estimated exposure on specific inventory items. Inventories are as follows:

	2025	2024
Inventory - Current Portion		
Raw materials	$ 292,566	$ 501,766
Work in process	103,215	228,396
Finished goods	700,284	771,886
Total Inventory - Current Portion	1,096,065	1,502,048
Inventory - Long-term		
Raw materials	415,383	231,721
Finished goods	-	96,000
Total Inventory - Long-term	415,383	327,721
Total Inventory	$ 1,511,448	$ 1,829,769

The Company utilizes significant estimates in determining the realizable value of its inventory, including the future revenue forecasts that will result in product sales. These estimates have a corresponding impact on the inventory values recorded as of December 31, 2025 and 2024. Management continually evaluates the likelihood of future sales based on current economic conditions, expiration timing of products, and product design changes prior to sale of product on hand. If actual conditions are less favorable than those the Company has projected, it may need to increase its reserves for excess and obsolete inventories. Any increases in the Company's reserves will adversely impact its results of operations. The establishment of a reserve for excess and obsolete inventory establishes a new cost basis in the inventory. Future sales of inventory on hand at December 31, 2025 will result in recognition of cost of sales based on initial inventory costs, net of reserves taken for expected realization values. For the years ended December 31, 2025 and 2024, the Company recorded inventory reserves of $400,167 and $60,866, respectively.

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

Property and Equipment

Property and equipment are stated at cost. Additions and improvements that extend the lives of assets are capitalized, while expenditures for repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed on a straight-line basis over the shorter of the estimated useful lives of the related assets or life of the lease.

The standard estimated useful lives of property and equipment are as follows:

Office furniture and equipment	5 years
Lab and production equipment	5 years
Computer equipment	3 - 5 years
MRI scanner	7 years
Leasehold improvements	Lesser of useful life or remaining lease term

The Company reviews property and equipment and right of use assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the impairment tests indicate that the carrying value of the asset, or asset group, is greater than the expected undiscounted cash flows to be generated by such asset or asset group, further analysis is performed to determine the fair value of the asset or asset group. To the extent the fair value of the asset or asset group is less than its carrying value, an impairment loss is recognized equal to the amount the carrying value of the asset or asset group exceeds its fair value. The Company generally measures fair value by considering sale prices for similar assets or asset groups, or by discounting estimated future cash flows from such assets or asset groups using an appropriate discount rate. Considerable management judgment is necessary to estimate the fair value of assets or asset groups, and accordingly, actual results could vary significantly from such estimates. Assets to be disposed of would be reported at the lower of the carrying amount or fair value less costs to sell. To date, the Company has not recognized any impairment loss for property and equipment and right of use assets.

Leases

At the inception of a contract, the Company determines whether the contract is or contains a lease based on all relevant facts and circumstances. Leases with a term greater than 12 months are recognized in the consolidated balance sheets as right of use ("ROU") assets and corresponding current and non-current lease liabilities. Amounts expected to be paid within 12 months are classified as current lease liabilities, with the remainder classified as non-current lease liabilities. The Company has elected not to recognize leases with terms of 12 months or less on the consolidated balance sheets. Lease payments for short-term leases are recognized as an expense on a straight-line basis over the lease term. The Company includes lease option extensions in the assessment of the lease arrangement when it is reasonably certain the option will be exercised.

ROU assets and the corresponding lease liabilities are recorded based on the present value of lease payments to be made over the lease term. The discount rate used to calculate the present value is the rate implicit in the lease, or if not readily determinable, the Company's incremental borrowing rate. The Company's incremental borrowing rate is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term, an amount equal to the lease payments in a similar economic environment. Certain adjustments to the ROU asset may be required for items such as initial direct costs or incentives received. See Note 5 for additional disclosure on leases.

For all asset classes of its leases, the Company has elected to account for the lease and non-lease components together for all classes of underlying assets.

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 1 – Summary of Significant Accounting Policies (cont.)

Research and Development Costs

The Company expenses research and development costs as incurred.

Nonmonetary Transaction

The Company had a nonmonetary exchange with a vendor whereby the vendor provided equipment to the Company in exchange for space to display the vendor's product at the Company's booths at two tradeshows during the year ended December 31, 2024. The Company is using the equipment for research and development activities. The transaction was recorded with an addition of $100,000 to Property and equipment on the consolidated balance sheets and an equal reduction to sales and marketing expense on the consolidated statements of operations.

Other Assets

Other assets on the consolidated balance sheets include security deposits related to the Company's operating leases, an equity investment, a derivative asset, and a prepaid expense. The balance is made up of the following as of December 31:

	December 31, 2025	December 31, 2024
Security deposit	$ 60,488	$ 52,597
Equity investment	69,560	69,560
Derivative asset	56,243	56,243
Prepaid expense	-	29,812
	$ 186,291	$ 208,212

The equity investment of $69,560 is held at cost. There have been no impairment losses or observable price changes recognized for the years ended December 31, 2025 and 2024.

Patents

Expenditures for patent costs are charged to operations as incurred.

Income Taxes

Income taxes are recorded under the liability method. Deferred income taxes are provided for temporary differences between financial reporting and tax bases of assets and liabilities. Deferred tax assets are reduced by a valuation allowance to the extent the realization of the related deferred tax asset is not assured.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Loss per Share

Basic loss per share is computed by dividing net loss by the weighted average shares outstanding during the reporting period. The weighted average common shares outstanding were 308,748,911 and 223,999,081 for the years ended December 31, 2025 and 2024, respectively.

NOTE 1 – Summary of Significant Accounting Policies (cont.)

Dilutive net income (loss) per share assumes the exercise and issuance of all potential common stock equivalents in computing the weighted-average number of common shares outstanding, unless their effect is antidilutive. The computation of dilutive net income (loss) per share attributable to common stockholders assumes the potential dilutive effect of potential common stock, which includes common stock consisting of (a) stock options and warrants using the treasury stock method, and (b) convertible notes using the if-converted method. The effects of including incremental shares associated with stock options, warrants, and convertible notes outstanding are anti-dilutive due to the net loss incurred and are not included in the diluted weighted average number of shares of common stock outstanding for the years ended December 31, 2025 and 2024.

The table below provides potentially dilutive securities not included in the calculation of the diluted net loss per share for the years ended December 31 because to do so would be anti-dilutive:

	2025	2024
Exercise of stock options	38,959,160	31,255,170
Conversion of convertible notes (related party)	24,763,181	22,427,625
Exercise of warrants	5,216,158	5,216,158
Total	68,938,499	58,898,953

Foreign Currency Exchange Gains (Losses)

As of December 31, 2025, the Company had cash accounts denominated in Euros and Australian dollars, accounts payable that are denominated in Australian dollars and Euros, lease liabilities denominated in Euros, and accounts receivable denominated in Euros and Hungarian forint. As of December 31, 2024, the Company had cash accounts denominated in Euros and Australian dollars, accounts payable that were denominated in Australian dollars, Euros, and Hungarian forint, lease liabilities denominated in Euros, and accounts receivable denominated in Euros and Hungarian forint. These assets and liabilities have been remeasured into U.S. dollars at year-end exchange rates. Foreign currency exchange gains of $1,509,925 and $197,867 for the years ended December 31, 2025 and 2024, respectively, are included in the consolidated statements of operations within other expense.

The increase in foreign currency exchange gain for the year ended December 31, 2025 compared to the year ended December 31, 2024 primarily reflects the effect of changes in the Australian dollar exchange rate on the Company's cash balances denominated in that currency. Consistent with this, the effect of foreign currency exchange rate changes on cash and cash equivalents reported in the consolidated statements of cash flows was $1,541,285 for the year ended December 31, 2025; this amount includes $819,371 of realized gains as of December 31, 2025.

Revenue Recognition

In order for an arrangement to be considered a contract, it must be probable that the Company will collect the consideration to which it is entitled for goods or services to be transferred. The Company then assesses the goods or services promised within the contract to determine whether each promised good or service is a performance obligation. Performance obligations are promises in a contract to transfer a distinct good or service to the customer that (i) the customer can benefit from on its own or together with other readily available resources, and (ii) is separately identifiable from other promises in the contract.

The Company determines the transaction price based on the amount of consideration the Company expects to receive for providing the promised goods or services in the contract. Consideration may be fixed, variable, or a combination of both.

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

At contract inception for arrangements that include variable consideration, the Company estimates the probability and extent of consideration it expects to receive under the contract utilizing either the most likely amount method or expected amount method, whichever best estimates the amount expected to be received. The Company then considers any constraints on the variable consideration and includes in the transaction price variable consideration to the extent it is deemed probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company's product revenue is derived from sales of both capital equipment and single-use consumables used in iCMR-guided cardiac ablation procedures. Capital equipment includes the Company's systems such as the Advantage-MR EP Recorder/Stimulator System and NorthStar Mapping System as well as related third-party equipment, while consumables primarily comprise the Company's catheters, including the Vision-MR Ablation Catheter and Vision-MR Diagnostic Catheter, and related accessories.

For equipment and consumable product sales that contain a single performance obligation, the Company recognizes revenue when control is transferred to the customer. This occurs at a point in time when title to the goods and risk of loss transfers. The transaction price is based on invoice price, net of any variable consideration.

When accounting for a contract that contains multiple performance obligations, the Company must develop judgmental assumptions to determine the estimated standalone selling price ("SSP") for each performance obligation identified in the contract. The Company utilizes the observable SSP when available, which represents the price charged for the promised product or service when sold separately. When the SSP for the Company's products or services are not directly observable, the Company determines the SSP using relevant information available and applies suitable estimation methods including, but not limited to, the cost-plus margin approach. The Company then allocates the transaction price to each performance obligation based on the relative SSP and recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) control is transferred to the customer and the performance obligation is satisfied.

Revenue from service contracts is recognized over the contract period on a straight-line basis, as the customer benefits from the services throughout the service contract period.

Revenue is derived from both domestic and foreign countries. Sales tax and value added taxes in foreign jurisdictions that are collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from net sales. Product sales include shipment and handling fees charged to customers. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as a fulfillment cost and are included in cost of goods sold.

As of December 31, 2025, $129,794 of a contract's transaction price was allocated to an unsatisfied performance obligation. The Company expects to recognize the revenue related to these performance obligations during 2026.

Royalties

On June 1, 2012, the Company licensed certain intellectual property to a customer which included a royalty of 3% of product sales, subject to a minimum of $50,000 per year through 2028. The minimum guaranteed royalties were recognized upon the execution of the license agreement as these proceeds were not variable consideration. The remaining minimum royalty payments to be received, less the portion which represents future interest expected to be received within 12 months is included in Accounts receivable and the amounts expected to be received in future periods beyond 12 months are included in Accounts receivable, long term. Any royalties received in the future which are more than the minimum guaranteed royalty will be recognized when they are earned.

NOTE 1 – Summary of Significant Accounting Policies (cont.)

Consulting Revenue

The Company recognizes revenue for consulting over time using the "as invoiced" practical expedient, except for in certain instances where billings are made in advance of the satisfaction of performance obligations.

The Company did not recognize any consulting revenue during the year ended December 31, 2025. During the year ended December 31, 2024, the Company recognized consulting revenue of $115,749, including $60,000 related to work performed to develop a prototype version of the Company's catheter that is compatible with a GE Healthcare MRI system and $55,749 related to work performed with a research institution utilizing the Company's MRI scanner.

Contract Liabilities

In 2013, the Company licensed certain intellectual property to a customer in exchange for an upfront non-refundable license fee and milestone payments, which can total up to $7,000,000. The Company collected $6,000,000 of these milestone payments, including the non-refundable license fee, on or before October 2016. A total of $373,333 of this amount is deferred as of December 31, 2025 and 2024. The customer sold the portion of the business which held this license in May 2018, and the license has been assigned to the purchaser. The project is still on hold with no plans to work on final development during the next 12 months, and therefore, the contract liability is included in long-term liabilities as of December 31, 2025 and 2024.

The Company invoices its customers for product revenue and consulting revenue based on the billing schedules in its sales arrangements. Service contracts are billed in advance, prior to the services having been performed, and the associated deferred revenue is recognized over the term of the service contract period.

Amounts received prior to satisfying the above revenue recognition criteria are recorded as contract liabilities in the accompanying consolidated balance sheets, with the contract liabilities to be recognized beyond one year being classified as non-current contract liabilities. As of December 31, 2025 and 2024, the Company had total current and long-term contract liabilities of $1,119,788 and $1,158,052, respectively, of which $1,085,753 and $1,098,533 was included in long-term liabilities as of December 31, 2025 and 2024, respectively. As of December 31, 2025, the Company expects to recognize the balance included in long-term liabilities at an indeterminable time. The decrease in contract liabilities is due to recognition of revenue for completion of performance obligations that were included in contract liabilities at the beginning of the period.

The following table sets forth information related to the contract liabilities for the years ended December 31:

	2025	2024
Balance at January 1	$ 1,158,052	$ 1,377,662
Decrease from revenue recognized for completion of performance obligations that were included in contract liabilities at the beginning of the period included in:		
Product revenue	-	(166,046)
Service revenue	(49,529)	(24,879)
Consulting revenue	-	(55,749)
Increase for revenue deferred as the performance obligation has not been satisfied related to:		
Service revenue	11,265	27,064
Balance at December 31	$ 1,119,788	$ 1,158,052

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

Derivative Asset, Option Liabilities, and Warrant Liabilities

The Capital Commitment Agreement ("Agreement") with GEM Global Yield LLC SCS ("GGY") (discussed further in Note 9) meets the definition of a derivative and was recorded upon issuance within other assets on the consolidated balance sheets at fair value. The derivative asset is revalued at each balance sheet date, with changes in fair value recorded on the consolidated statements of operations as other income or expense. The Company estimates the fair value of the asset using the Monte Carlo Simulation model.

Also in connection with the Agreement with GGY, the Company issued 5,700,000 options which were determined to qualify as liabilities in accordance with Accounting Standards Codification ("ASC") 480-10, Distinguishing Liabilities from Equity and ASC 815-40, Derivatives and Hedging. Additionally, the Company issued warrants in connection with the equity raises in August and October 2023 (Note 10), where 2,100,568 warrants were determined to qualify as liabilities due to the exercise price being denominated in a currency other than the Company's functional currency. The result of this accounting treatment is that the options and warrants are recorded upon issuance as a liability on the consolidated balance sheets at fair value and are revalued at each balance sheet date, with the change in fair value recorded in the consolidated statements of operations as other income or expense. The Company estimates the fair value of the liability using the Black-Scholes pricing model.

See **Notes 9 and 10** for further details and assumptions used in the Black-Scholes pricing model and Monte Carlo Simulation model.

Stock-Based Compensation

The Company measures and records compensation expense using the applicable accounting guidance for share-based payments related to equity awards granted to directors and employees. The fair value of stock options, including performance awards, without a market condition is estimated at the date of grant, using the Black-Scholes option-pricing model. The fair value of stock options with a market condition is estimated at the date of grant using the Monte Carlo Simulation model. The Black-Scholes and Monte Carlo Simulation valuation models incorporate assumptions as to stock price volatility, the expected life of options or awards, a risk-free interest rate, and dividend yield.

The Company's policy is to account for forfeitures as they occur and compensation expense is recognized on a straight-line basis over the vesting period for awards with service and market conditions; for awards with performance conditions, expense is recognized over the requisite service period for awards for which the performance condition is considered probable of being achieved. Compensation expense is recognized for all awards over the vesting period to the extent the employees or directors meet the requisite service requirements, whether or not the award is ultimately exercised. Conversely, when an employee or director does not meet the requisite service requirements and forfeits the award prior to vesting, any compensation expense previously recognized for the award is reversed.

See **Note 10** for further details and assumptions used in the Black-Scholes pricing model.

Fair Value Measurement

ASC 820, Fair Value Measurements, ("ASC 820") provides guidance on the development and disclosure of fair value measurements. Under this accounting guidance, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 1 – Summary of Significant Accounting Policies (cont.)

The accounting guidance classifies fair value measurements in one of the following three categories for disclosure purposes:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 prices for similar assets or liabilities that are directly or indirectly observable in the marketplace.

Level 3: Unobservable inputs which are supported by little or no market activity and values determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The Company evaluates assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level at which to classify them for each reporting period. This determination requires significant judgments to be made by the Company.

The carrying value of financial assets and liabilities recorded at fair value is measured on a recurring or nonrecurring basis. Financial assets and liabilities measured on a non-recurring basis are those that are adjusted to fair value when a significant event occurs. The Company had no financial assets or liabilities carried and measured on a nonrecurring basis during the reporting periods. Financial assets and liabilities measured on a recurring basis are those that are adjusted to fair value each time a consolidated financial statement is prepared. The following tables present information about the Company's financial assets and liabilities measured at fair value on a recurring basis, based on the fair value hierarchy:

	As of December 31, 2025			
	Level 1	Level 2	Level 3	Total
Other Assets				
Derivative asset	$ -	$ -	$ 56,243	$ 56,243
Total Other Assets	$ -	$ -	$ 56,243	$ 56,243
Current Liabilities				
Current portion of rconvertible notes (related party)	$ -	$ -	$ 11,745,700	$ 11,745,700
Option liabilities	$ -	$ -	$ 3,157,717	$ 3,157,717
Total Current Liabilities	$ -	$ -	$ 14,903,417	$ 14,903,417
Long-term Liabilities				
Convertible notes, net of current portion (related party)	$ -	$ -	$ 13,268,500	$ 13,268,500
Warrant liabilities	$ -	$ -	$ 1,828,677	$ 1,828,677
Total Long-term Liabilities	$ -	$ -	$ 15,097,177	$ 15,097,177

	As of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Other Assets				
Derivative asset	$ -	$ -	$ 56,243	$ 56,243
Total Other Assets	$ -	$ -	$ 56,243	$ 56,243
Long-term Liabilities				
Convertible notes, net of current portion (related party)	$ -	$ -	$ 19,869,700	$ 19,869,700
Option liabilities	$ -	$ -	$ 3,135,000	$ 3,135,000
Warrant liabilities	$ -	$ -	$ 1,532,067	$ 1,532,067
Total Long-term Liabilities	$ -	$ -	$ 24,536,767	$ 24,536,767

The convertible notes (related party) (Note 7), the derivative asset and option liabilities (Note 9), and the warrant liabilities (Note 10) are recognized at fair value on a recurring basis at December 31, 2025 and 2024 and are all classified as Level 3. There have been no transfers between levels. The Company estimates the fair value of the asset or liabilities using the Monte Carlo Simulation model or Black-Scholes pricing model.

See **Notes 7, 9, and 10** for further details and assumptions used in the respective pricing model.

As of December 31, 2025 and 2024, the recorded values of cash and cash equivalents, prepaid expenses, accounts payable, and accrued expenses and other liabilities approximate their fair values due to the short-term nature of these items.

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

Estimates

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

Bioscience Innovation Grant

In August 2023, the Company received a $1,158,000 grant from the North Dakota Department of Agriculture as part of the department's Bioscience Innovation Grant ("BIG") program. The grant money is obtained by submitting requests for reimbursement of specific expenses incurred to support the remaining approval process of the Company's products in the US. The grant program ended on June 30, 2025.

The Company has elected to account for the reimbursement as a government grant. U.S. GAAP does not currently include grant accounting guidance that is in effect related to transfers of assets from governments to business entities, therefore, the Company has elected to follow the grant accounting model in International Accounting Standard ("IAS") 20, Accounting for Government Grants and Disclosure of Government Assistance. In accordance with IAS 20, the Company cannot recognize any income from the grant until there is reasonable assurance (similar to the "probable" threshold in U.S. GAAP) that any conditions attached to the grant will be met and that the grant will be received. Once it is reasonably assured that the grant conditions will be met and that the grant will be received, grant income is recorded on a systematic basis over the periods in which the Company incurred the reimbursable expenses for which the grant is intended to compensate. Income from the grant can be presented as either other income or as a reduction in the expenses for which the grant was intended to compensate.

As of December 31, 2025 and 2024, BIG benefits of $0 and $177,057, respectively, were included in Prepaid expense and other current assets on the consolidated balance sheets. Income of $658,456 and $325,332 for the years ended December 31, 2025 and 2024, respectively, was included in government grant income on the consolidated statements of operations.

Recently Adopted Accounting Pronouncements

The Company considers the applicability and impact of all Accounting Standard Updates ("ASUs"). ASUs not discussed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Company's consolidated financial statements and related notes.

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The amendments in ASU 2023-07 improve the disclosures about a public entity's reportable segments and address requests from investors for additional, more detailed information about a reportable segment's expenses. The Company adopted this standard as of January 1, 2025. Adoption of the ASU did not materially impact the Company's consolidated financial statements. See Note 12 for further details.

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NOTE 1 – Summary of Significant Accounting Policies (cont.)

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* which requires more detailed income tax disclosures. The guidance requires entities to disclose disaggregated information about their effective tax rate reconciliation as well as expanded information on income taxes paid by jurisdiction. The disclosure requirements will be applied on a prospective basis, with the option to apply them retrospectively. The standard is effective for fiscal years beginning after December 15, 2024. The Company adopted this standard as of January 1, 2025, prospectively. Adoption of the ASU did not materially impact the Company's consolidated financial statements. See Note 11 for further details.

In May 2024, the FASB issued ASU 2024-01, *Compensation – Stock Compensation (Topic 718): Scope Application of Profits Interest Awards*, which adds an example that illustrates how an entity applies the scope guidance to determine whether a profits interest award should be accounted for as a share-based payment arrangement under ASC 718 or another accounting standard. The standard is effective for fiscal years beginning after December 15, 2024. The Company adopted this standard as of January 1, 2025. The adoption of ASU 2024-01 did not materially impact the Company's consolidated financial statements.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*. The amendment requires disaggregated disclosure of income statement expenses for public business entities ("PBEs"). The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the consolidated financial statements. The standard is effective for fiscal years beginning after December 15, 2026. Early adoption is permitted. The Company is evaluating the disclosure requirements related to the new standard.

In November 2024, the FASB issued ASU 2024-04, *Debt – Debt with Conversion and Other Options (Subtopic 470-20)*, which amends ASC 470-20 to clarify the circumstances in which an entity is required to account for a settlement of a debt instrument as an induced conversion. The standard is effective for fiscal years beginning after December 15, 2025. Early adoption is permitted for all entities that have adopted the amendments in Update 2020-06. The Company is evaluating the disclosure requirements related to the new standard.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Credit Losses (Topic 326)*: Measurement of Credit Losses for Accounts Receivable and Contract Assets, which provides a practical expedient for entities estimated expected credit losses on current accounts receivable and current contract assets arising from transactions under Topic 606. The practical expedient permits an entity to assume current conditions as of the balance sheet date that do not change for the remaining life of the current accounts receivable and current contract assets. The standard is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The Company is currently assessing the potential impact of adopting this new guidance on our consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies interim disclosure requirements and the applicability of Topic 270, resulting in a consolidated list of all interim disclosures required by GAAP. The amendments include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The standard is effective for interim periods within fiscal years beginning after December 15, 2027, for public business entities, with early adoption permitted. The Company is currently assessing the potential impact of adopting this new guidance on our interim consolidated financial statements and related disclosures.

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NOTE 2 – Liquidity

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities and commitments in the normal course of business.

At each reporting period, the Company evaluates whether conditions or events raise substantial doubt about its ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued. In performing this evaluation, management considers the Company's current financial condition, results of operations, cash flows, contractual obligations, and its ability to obtain additional financing if needed.

As disclosed in the Company's financial statements for the year ended December 31, 2024, management concluded that substantial doubt existed about the Company's ability to continue as a going concern due to recurring operating losses, negative cash flows from operations, and the need to secure additional financing to fund operations beyond the then-current cash runway. Since December 31, 2024, the Company completed an equity raise which resulted in net proceeds of $42,827,577 (see Note 10), which has materially improved its liquidity and extended its projected cash runway.

For the year ended December 31, 2025, the Company incurred net losses of $25,318,562, and negative cash flows from operating activities of $19,081,157. As of December 31, 2025, the Company had working capital of $25,546,042. Current liabilities include the current portions of the Company's convertible notes (related party) and option liabilities, which are recorded at fair value in accordance with ASC 825 and ASC 815, respectively, and their carrying amounts may differ significantly from the contractual principal and interest or other cash obligations associated with settling these instruments. See Note 7 for disclosure of the contractual principal and interest outstanding on the Company's convertible notes (related party) as of December 31, 2025.

Management has evaluated the principal conditions affecting the Company's liquidity, including recurring operating losses, negative cash flows, and contractual obligations due within the next 12 months. Based on this evaluation, management has concluded that the Company's existing working capital is sufficient to fund its operations for at least the 12-month period following the date these consolidated financial statements are available to be issued.

NOTE 3 – Accrued Expenses

As of December 31, accrued expenses consisted of the following:

	December 31, 2025	December 31, 2024
Compensation	$ 917,553	$ 896,715
Other accruals	702,401	596,380
	$ 1,619,954	$ 1,493,095

IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 4 – Property and Equipment

As of December 31, property and equipment consisted of the following:

	December 31, 2025	December 31, 2024
Office furniture and equipment	$ 329,106	$ 249,399
Lab and production equipment	2,563,189	2,416,607
Computer equipment	303,145	241,067
MRI scanner	1,200,000	1,200,000
Leasehold improvements	1,641,837	1,641,837
	6,037,277	5,748,910
Less: accumulated depreciation and amortization	(4,498,817)	(3,870,159)
	$ 1,538,460	$ 1,878,751

Depreciation and amortization expense was $798,715 and $748,165 for the years ended December 31, 2025 and 2024, respectively.

NOTE 5 – Leases

Operating Leases

The Company leases office, manufacturing, and laboratory space in Burnsville, Minnesota under operating leases expiring at various dates through 2030. The Company's office and manufacturing facility (Gateway) lease commenced in March 2007, was originally set to expire in July 2014, and has been amended and extended over time, most recently in 2022, resulting in a current lease term through March 2027. The Company's office and laboratory facility (Design Center) lease commenced in January 2019, was originally set to expire in March 2026, and was amended in 2020 to extend the term through May 2030. Neither facility lease includes renewal or extension rights. For each facility lease, the landlord provided leasehold improvement incentives that reduced the Company's initial right-of-use asset. Both facility lease agreements require the Company to pay a pro rata portion of the lessor's actual operating expenses, which are considered variable lease costs.

The Company has also entered into operating leases for vehicles with contractual terms expiring at various dates through November 2028. Vehicle lease payments are fixed and do not include renewal or purchase options, and related costs are included in operating lease expense.

As the leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of the lease payments. As of December 31, 2025 and 2024, the weighted average remaining lease term on operating leases was 3.6 and 4.5 years, respectively, and the weighted average discount rate was 5.8% and 5.6%, respectively. For the years ended December 31, 2025 and 2024, the operating cash outflows from operating leases was $328,728 and $307,842 respectively.

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NOTE 5 – Leases (cont.)

As of December 31, 2025, maturities of the Company's operating lease liabilities are as follows:

2026	$ 363,140
2027	247,023
2028	191,217
2029	178,359
2030	75,228
Total lease payments	1,054,967
Less: interest	(103,771)
Present value of lease liabilities	951,196
Less: current portion	(317,153)
Operating lease liability, net of current portion	$ 634,043

The cost components of the Company's operating leases for office and manufacturing space, which were included in general and administrative expenses on the consolidated statements of operations, were as follows for the years ended December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
Operating lease cost	$ 228,426	$ 228,426
Variable lease cost	173,807	156,450
	$ 402,233	$ 384,876

Finance Lease Liability

The Company had a finance lease agreement related to its MRI scanner under which the Company obtained ownership of the scanner at the end of the lease term. During the year ended December 31, 2024, the Company paid $67,159 under this finance lease, of which $1,160 represented interest, and as of December 31, 2024, there were no remaining payments outstanding.

NOTE 6 – Commitments and Contingencies

Vendor concentration

Certain components and products that meet the Company's requirements are available only from a single supplier or a limited number of suppliers. The inability to obtain components and products as required, or to develop alternative sources, if and as required in the future, could result in delays or reductions in product shipments, which in turn could have a material adverse effect on the Company's business, financial condition, and results of operations. The Company believes that it will be able to source alternative suppliers or materials if required to do so.

For the year ended December 31, 2025, the Company had accounts payable to two vendors that each accounted for 12% of the total outstanding balance. For the year ended December 31, 2024, the Company had accounts payable to two vendors that accounted for 14% and 13% of the total outstanding balance.

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NOTE 6 – Commitments and Contingencies (cont.)

Purchase Commitments

At December 31, 2025 and 2024, the Company had $218,912 and $366,675, respectively, in outstanding firm purchase commitments for raw materials inventory and prototype components used in research and development activities. As of December 31, 2025, payment of the purchase commitments is expected to be made within one year. During the years ended December 31, 2025 and 2024, the Company purchased $324,805 and $109,767, respectively, under firm purchase commitments outstanding at the beginning of the respective year.

Financing Obligation

The Company entered into an agreement to finance a portion of an annual insurance premium for the policy period beginning August 2024. The financing obligation was to be paid in 10 monthly installments of $35,665 beginning in September 2024, and the stated interest rate was 7.91%. As of December 31, 2025, there were no payments remaining to be paid.

Retirement Plan

The Company maintains retirement plans for its employees in which eligible employees can contribute a percentage of their compensation. The Company contributed $333,897 and $269,541 to these plans during the years ended December 31, 2025 and 2024, respectively.

Employment Agreements

The Company has employment agreements with the CEO and certain senior executives of the Company. The agreements require severance of twelve and six months, respectively, of current annual salary and medical insurance in the event employment is terminated without cause.

NOTE 7 – Convertible Notes with Warrants (related party)

On December 16, 2022, the Company entered into a Securities Purchase Agreement with K.A.H.R. Foundation, a beneficial owner of more than 5% of the Company's common stock as of the agreement date (see Note 13), for the issuance of unsecured, unquoted convertible promissory notes, to be issued in two tranches, to raise a maximum aggregate amount of $5,000,000.

The first tranche was issued on December 23, 2022. The Company received $2,325,000 in gross proceeds from the issuance of the convertible note. The convertible note bears interest of 10% per annum, compounded annually. The interest accrued during the years ended December 31, 2025 and 2024 was $281,942 and $256,311, respectively. As of December 31, 2025 and 2024, cumulative accrued interest on the first tranche totaled $776,358 and $494,416, respectively. All or a portion of the principal is convertible into CHESS Depositary Interests ("CDIs", as described further in Note 10) at a price of $0.2691 per share at the election of the holder following the 36 month anniversary of the closing date. All or a portion of accrued and unpaid interest is convertible into CDIs at a price of $0.2563 per share at the election of the holder during the same time frame. Accrued interest on the convertible notes is included in the fair value of the convertible notes on the consolidated balance sheets. The maximum number of CDIs to be issued upon conversion of the principal amount and interest is no more than 12,849,949 CDIs. As of December 31, 2025, 11,669,009 CDIs would be issued if the principal and accrued interest were converted.

NOTE 7 – Convertible Notes with Warrants (related party) (cont.)

The second tranche was issued on March 28, 2023. The Company received $2,675,000 of gross proceeds from the issuance of the convertible note. The second tranche is subject to the same terms as the first tranche. The interest accrued during the years ended December 31, 2025 and 2024 was $316,661 and $287,874, respectively. As of December 31, 2025 and 2024, cumulative accrued interest on the second tranche totaled $808,275 and $491,614, respectively. The maximum number of CDIs to be issued upon conversion of the principal and interest is no more than 14,784,350 CDIs. As of December 31, 2025, 13,094,172 CDIs would be issued if the principal and accrued interest were converted.

The maturity date on the notes is the earliest occurrence of (i) a change-in-control event, at which time the Company would be required to pay the holder the greater of 125% of the then outstanding balance plus accrued and unpaid interest or the amount the holder would receive if the principal and accrued and unpaid interest had been converted to CDIs at a conversion price equal to the variable weighted average price ("VWAP") of the CDIs for the 10 day period ending on the change-in-control event date; or (ii) the four year anniversary of the closing date of each tranche.

On March 28, 2023 and December 23, 2022, pursuant to the Securities Purchase Agreement, the Company issued warrants exercisable for 1,043,699 and 907,141 CDIs, respectively, with an exercise price of $0.2563 per share. The warrants expire five years after the dates of issuance.

The Company accounts for its convertible promissory notes under ASC 815, Derivatives and Hedging ("ASC 815"). Under 815-15-25, the election can be made at the inception of a financial instrument to account for the instrument under the fair value option under ASC 825. The Company has made such election for its convertible promissory notes. Using the fair value option, the convertible promissory notes are required to be recorded at its initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the notes are recognized as a non-cash item in the change in fair value of convertible notes (related party) in the consolidated statements of operations.

The convertible notes (related party) were recorded as a liability on the consolidated balance sheets at the dates of issuance. The following table provides a summary of change in fair value of the two tranches of the convertible notes (related party) for the years ended December 31:

	Total	Tranche 1	Tranche 2
Fair value at December 31, 2023	$ 8,453,300	$ 3,964,800	$ 4,488,500
Fair value change in convertible notes (related party)	11,416,400	5,305,100	6,111,300
Fair value at December 31, 2024	$ 19,869,700	$ 9,269,900	$ 10,599,800
Fair value change in convertible notes (related party)	5,144,500	2,475,800	2,668,700
Fair value at December 31, 2025	$ 25,014,200	$ 11,745,700	$ 13,268,500

As of December 31, 2025, the Company had total convertible notes (related party) of $25,014,200 of which $13,268,500 was included in long-term liabilities as of December 31, 2025. The entire convertible notes (related party) balance was included in long-term liabilities as of December 31, 2024.

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NOTE 7 – Convertible Notes with Warrants (related party) (cont.)

The fair value of the convertible notes is measured in accordance with ASC 820 "Fair Value Measurement" using the "Monte Carlo Method" modeling incorporating the following inputs:

	December 31, 2025	December 31, 2024
Expected dividend yield	0%	0%
Expected stock-price volatility	66.0% - 72.1%	88.1% - 89.4%
Risk-free interest rate	3.42% - 3.43%	4.16% - 4.17%
Stock price	$ 1.0210	$ 0.8416
Conversion price	$ 0.2691	$ 0.2691

Significant assumptions used to determine the fair value of the convertible note include the estimated probability of a change in control event, which is based on management's expectation of future transactions; the volatility of the stock price, which is estimated based on the Company's own historical volatility; and the credit spread, which is based on the Company's estimate of its credit rating derived from the Company's financial condition and market yields for similar instruments issued by companies with comparable credit ratings.

The Company evaluated the warrants under ASC 480, "Distinguishing Liabilities from Equity" and ASC 815. The warrants do not meet the characteristics for liability classification under either provision and as such are classified as equity under ASC 815. Given that the convertible notes were subject to fair value remeasurement, the fair value of the convertible notes was carved out from gross proceeds and the remainder of the gross proceeds of the first and second tranches of $127,900 and $541,200, respectively, was allocated to warrants. The warrants were recorded as Additional paid-in capital on the consolidated balance sheets at the dates of issuance. No subsequent remeasurement of the warrants is required.

NOTE 8 – Promissory Notes

LIFT Loan

On January 6, 2023, the Company obtained a $1,500,000 loan from the Bank of North Dakota under the North Dakota Commerce Department's Innovation Technology Loan Fund ("LIFT"). The loan matures in five years and has an interest rate of 0% for the first three years and 2% for the next two years of the loan, with monthly interest payments due. The outstanding loan balance is due at maturity on January 6, 2028. The Company had an 18-month draw period through July 2024, during which it drew $33,219. The balance was paid in full during the year ended December 31, 2024, and no amounts were outstanding under the LIFT loan as of December 31, 2025 or 2024.

The loan included certain restrictions on the use of the funds. The Company could use the funding only to conduct applied research, experimentation, or operational testing within the state of North Dakota. The funds could not be used for capital or building investments or for general corporate purposes to support existing operations outside the state of North Dakota.

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NOTE 8 – Promissory Notes (cont.)

GGY Promissory Note

As part of the Agreement with GGY (discussed further in Note 9), the Company entered into a promissory note to pay GEM Yield Bahamas Limited a fee equal to two percent of the capital commitment facility, being $600,000 Australian dollars ($399,660 U.S. dollars at issuance date). The fee was payable, whether or not any draw down notices were delivered, within the first year of the Agreement's term. In the event the fee was not paid in full within the first year, interest would accrue on the unpaid portion at the Mortgage Free Business Finance Rate published by Westpac Banking Corporation, compounded monthly. The promissory note was revalued at each reporting date. The Company paid the remaining balance on the note, along with accrued interest of $3,103, during the year ended December 31, 2024.

NOTE 9 – Capital Commitments

On July 6, 2023, the Company entered into a Capital Commitment Agreement ("Agreement") with GEM Global Yield LLC SCS ("GGY"), under the terms of which GGY has agreed to provide the Company with up to $30 million Australian dollars through a Security Subscription Facility (the "Facility") over a 3-year term. The Agreement allows the Company to draw down funds during the 3-year term by giving GGY 15 Australian Securities Exchange ("ASX") trading days' notice to subscribe for CDIs, subject to share lending arrangement(s) being in place. The number of CDIs which GGY may subscribe for is capped at 700% of the average daily number of CDIs traded on the ASX during the 15 trading days prior to the relevant drawdown notice, subject to certain adjustments. The subscription price of the CDIs to be issued to GGY is the higher of (i) 90% of the average closing bid price of the Company's CDIs over the 15 consecutive trading days after the Company gives the drawdown notice, subject to certain adjustments; or (ii) a fixed floor price nominated by the Company in the drawdown notice. The Company controls the timing of drawdowns under the Facility and has no minimum drawdown obligation. The issue of CDIs to GGY pursuant to any drawdown notice will also be conditional on the Company having sufficient placement capacity under ASX Listing Rules 7.1 or 7.1A (as applicable) or obtaining any requisite securityholder approval for the issue.

The Agreement meets the definition of a derivative in accordance with ASC 815 and is measured at fair value. Any changes in fair value of such instruments are recorded in other income (expense) in the consolidated statements of operations. There was no change in fair value of the derivative asset for the years ended December 31, 2025 or 2024.

The derivative asset's fair value was calculated using the Monte Carlo Simulation model utilizing the following assumptions:

Expected stock-price volatility		104.1%
Risk-free interest rate		4.03%
Stock price (in Australian dollars)	$	0.5700

These key assumptions used in the valuation have remained unchanged since December 31, 2023 and were also used in determining the fair value of the derivative asset as of December 31, 2025 and 2024.

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NOTE 9 – Capital Commitments (cont.)

Pursuant to the terms of the Agreement, the Company issued options to purchase 5,700,000 CDIs with an exercise price of $0.61 Australian dollars per CDI and a 3-year term.

No CDI Options were exercised during the year ended December 31, 2024. A summary of activity related to the CDI Options during the year ended December 31, 2025 is as follows:

CDI Options outstanding at December 31, 2024	5,700,000
Exercise of CDI Options	(648,461)
CDI Options outstanding at December 31, 2025	5,051,539

The following table provides a summary of the change in fair value of the CDI Options for the years ended December 31, 2025 and 2024:

Fair value at December 31, 2023	$ 1,292,760
Fair value change in CDI Options	1,842,240
Fair value at December 31, 2024	3,135,000
Exercise of CDI Options	(373,774)
Fair value change in CDI Options	396,491
Fair value at December 31, 2025	$ 3,157,717

As of December 31, 2025, the fair value of the CDI Options of $3,157,717 is classified as short-term option liabilities on the consolidated balance sheets. As of December 31, 2024, the fair value of the CDI Options of $3,135,000 is classified as long-term option liabilities on the consolidated balance sheets.

The CDI Options' fair value was calculated using the Black-Scholes option pricing model utilizing the following assumptions:

	December 31, 2025	December 31, 2024
Expected dividend yield	0%	0%
Expected stock-price volatility	59.2%	85.4%
Risk-free interest rate	3.97%	3.97%
Stock price	$ 1.0240	$ 0.8455
Conversion price	$ 0.4083	$ 0.3792

The fair value of CDI Options was determined using the Black-Scholes option pricing model with assumptions consistent in methodology to those used for stock options, except that the contractual life of the options is used as the expected term and volatility of the stock price is estimated based on the Company's own historical volatility.

Since issuance, the Company has drawn $444,922 Australian dollars on the Facility, and $29,555,078 Australian dollars is available as of December 31, 2025. Converted to U.S. dollars using the exchange rate of $1 Australian dollar to $0.67 U.S. dollar as of December 31, 2025, these amounts are $297,786 and $19,781,214, respectively.

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NOTE 10 – Stockholders' Equity

Capital Stock Authorized

As of both December 31, 2025 and 2024, the Board of Directors of the Company had authorized 560,000,000 shares of capital stock, consisting of 535,000,000 shares of common stock and 25,000,000 shares of preferred stock.

Common Stock

The Australian Securities Exchange ("ASX") uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. The State of Delaware does not recognize the CHESS system of holding securities or electronic transfers of legal title to shares. To enable companies to have their securities cleared and settled electronically through CHESS, depositary instruments called CHESS Depositary Interests ("CDIs") are issued. CDIs are units of beneficial ownership in shares and are traded in a manner similar to shares of Australian companies listed on the ASX. The legal title to the shares is held by a depositary, CHESS Depositary Nominees Pty Ltd ("CDN"), which is a wholly-owned subsidiary of the ASX, and is an approved general participant of ASX Settlement. One share of common stock is equivalent to one CDI.

In February 2024, the Company completed a placement and institutional entitlement offer with a mix of U.S. and Australian investors which consisted of 3,766,666 shares of common stock at $0.30 per share for U.S. investors and 14,069,396 CDIs at $0.45 Australian dollars per share for Australian investors for proceeds of $4,823,937, net of expenses.

The Company also completed a retail entitlement offer with Australian investors, which consisted of 1,419,069 CDIs at $0.45 Australian dollars per share for proceeds of $389,888, net of expenses in February 2024, and 14,378,862 CDIs at $0.45 Australian dollars per share, for proceeds of $3,996,793, net of expenses, in April 2024.

In July and September 2024, the Company completed a two-tranche placement with a mix of Australian and U.S. investors, which consisted of 67,064,836 CDIs at $0.52 Australian dollars per share and 242,857 shares of common stock at $0.35 per share for U.S. investors for proceeds of $21,791,209, net of expenses.

In February 2025, a total of 163,935 CDI Options were exercised at $0.61 Australian dollars per share for total proceeds of $61,419, net of expenses.

In March 2025, the Company completed an equity raise with Australian investors which consisted of 49,645,391 CDIs at $1.41 Australian dollars per share for proceeds of $42,827,577, net of expenses.

In March 2025, a total of 340,000 CDI Options were exercised at $0.61 Australian dollars per share for total proceeds of $130,842, net of expenses.

In September 2025, a total of 356,150 options to purchase common stock were exercised at prices ranging from $0.31 to $0.52 per share for total proceeds of $180,922, net of expenses.

In October 2025, a total of 144,526 CDI Options were exercised at $0.61 Australian dollars per CDI for total proceeds of $56,160, net of expenses.

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 10 – Stockholders' Equity (cont.)

Dividend Rights

Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the common stock shall be entitled to receive, out of any assets of the Corporation legally available therefore, any dividends as may be declared from time to time by the Board of Directors. The right to such dividends shall not be cumulative, and no right shall accrue by reason of the fact that dividends are not declared in any prior period.

Voting Rights

The holder of each share of common stock shall have the right to one vote for each such share, and shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law.

Stock Option Plans

The Company and its stockholders adopted a stock incentive plan (the "2006 Plan") in 2006. The 2006 Plan, as amended on January 26, 2011 by the stockholders, reserved 10,918,500 shares of the Company's common stock for the granting of incentive and nonqualified stock options to employees, directors and consultants. On May 22, 2016, the Company replaced the 2006 Plan with the 2016 Stock Option Plan (the "2016 Plan"), as the 2006 Plan was expiring. The terms of the 2016 Plan were the same as the 2006 Plan. In August 2018, the Board of Directors approved an increase of 500,000 shares to the option pool. On February 14, 2019, the Board of Directors terminated the 2016 Plan and approved the 2019 Equity Incentive Plan (the "2019 Plan"), reserving 11,418,500 shares of the Company's common stock for the granting of incentive and nonqualified stock options, or other stock-based awards, to employees, directors and consultants. On June 4, 2019, the Board of Directors approved an increase of 2,000,000 shares to the option pool and provided that on the first day of each of the Company's fiscal years during the term of the 2019 Plan beginning in 2020, the number of shares of Common Stock available for issuance from time to time under the 2019 Plan will be increased by an amount equal to the lesser of (i) five percent (5%) of the aggregate number of shares reserved under this Plan on the last day of the immediately preceding fiscal year, and (ii) such number of shares determined by the Board (the "Annual Increase"). On April 20, 2020, the Board of Directors approved an increase of 3,470,925 shares to the option pool, which was approved by the stockholders at the Annual Meeting on May 12, 2020. On January 14, 2021, the Board of Directors approved an increase of 844,471 shares to the option pool. On April 6, 2022, the Board of Directors approved an increase of 848,695 shares to the option pool. On April 4, 2023, the Board of Directors approved an increase of 7,929,130 shares to the option pool, which was approved by the stockholders at the Annual General Meeting on May 11, 2023. On February 14, 2024, the Board of Directors approved an increase of 6,488,279 shares to the option pool, which was approved by stockholders at the Annual Meeting on May 15, 2024. On February 17, 2025, the Board of Directors approved an increase of 7,650,000 shares to the option pool, which was approved by the shareholders at the Annual Meeting on May 14, 2025.

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NOTE 10 – Stockholders' Equity (cont.)

Options are granted at a price equal to the closing sale price of a CDI as of the date of grant, converted from Australian dollars to U.S. dollars using the prevailing exchange rate. Generally, vesting terms of outstanding options range from immediate to four years. In addition, some options have been issued to the executive management team that vest upon completion of certain milestones, performance requirements, and market conditions; as of December 31, 2025, 24,914,305 of these options are issued and outstanding. For these performance-based awards, expense is recognized when it is probable the performance condition will be achieved. If at any point the Company determines that the performance condition is improbable, any previously recognized expense is reversed. Adjustments for forfeitures are recorded as they occur. In no event are the options exercisable for more than ten years after the date of grant. The Company issues new shares of common stock when stock options are exercised.

Information regarding the Company's stock options is summarized below:

	Number of Option Shares	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Options outstanding - December 31, 2024	25,555,170	$ 0.42	
Exercised	(356,150)	0.51	
Forfeited	(41,250)	0.30	
Expired	(34,100)	0.50	
Granted	8,783,951	1.06	
Options outstanding - December 31, 2025	33,907,621	$ 0.58	$ 15,944,060
Options exercisable - December 31, 2025	6,767,066	$ 0.66	$ 2,788,732
Weighted average fair value of options granted during the year ended December 31, 2025		$ 0.82	

	Number of Option Shares	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Options outstanding - December 31, 2023	16,895,981	$ 0.47	
Exercised	-	-	
Forfeited	(148,750)	0.53	
Expired	(115,050)	0.82	
Granted	8,922,989	0.32	
Options outstanding - December 31, 2024	25,555,170	$ 0.42	$ 12,066,510
Options exercisable - December 31, 2024	6,349,658	$ 0.67	$ 1,585,640
Weighted average fair value of options granted during the year ended December 31, 2024		$ 0.24	

As of December 31, 2025, the Company had 581,340 shares available for grant under the Plan.

The weighted average remaining contractual life of options outstanding and exercisable was 7.37 and 4.29 years, respectively, as of December 31, 2025.

The intrinsic value of options exercised during the years ended December 31, 2025 and 2024 was $138,476 and $0, respectively.

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 10 – Stockholders' Equity (cont.)

The fair value of option awards granted was determined using the Black-Scholes option pricing model utilizing the following assumptions:

	2025	2024
Expected life	5.32 - 6.82 years	5.32 - 6.32 years
Volatility	85.13% - 88.03%	90.19% - 91.69%
Risk-free interest rate	3.67% - 4.38%	4.05% - 4.35%
Dividend yield	0%	0%

The Company reviews its current assumptions on a periodic basis and adjusts them as necessary to determine the option valuation. The expected term reflects our estimate of the period over which the stock options will remain outstanding before exercise or expiration. As we do not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term, the expected term of stock option awards granted has been determined using the simplified method, which is the average of the weighted-average vesting period and the contractual term. Volatility is based on the Company's own historical volatility as well as historic volatilities of traded shares from a selected publicly traded peer group, believed to be comparable after consideration of size, maturity, profitability, growth, risk and return on investment. The risk-free interest rate is based on the yield of constant maturity U.S. treasury bonds with a remaining term equal to the expected life of the awards at the grant date. The expected dividend yield is zero, as the Company has not paid or declared any dividends to common stockholders and does not expect to pay dividends in the foreseeable future. The Company's policy is to account for forfeitures as they occur and records stock-based compensation expense only for those awards that are expected to vest.

Total stock-based compensation expense resulting from options is charged to the Company's consolidated statements of operations as follows:

	December 31,	
	2025	2024
Cost of goods sold	$ 26,117	$ 11,191
Sales and marketing	90,642	(593)
Research and development	169,103	24,362
General and administrative	213,621	(27,115)
	$ 499,483	$ 7,845

The negative sales and marketing and general and administrative stock-based compensation expense on the consolidated statements of operations during the year ended December 31, 2024 is due to a change in probability of achievement for certain performance grants that were previously considered probable. This change resulted in the reversal of expense already taken until achievement becomes probable, in accordance with ASC 718, Stock Compensation. No income tax benefits were recognized related to this compensation expense due to the full valuation allowance provided on the Company's deferred income tax assets.

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NOTE 10 – Stockholders' Equity (cont.)

As of December 31, 2025, the total unrecognized compensation cost related to unvested stock options then outstanding was $10,959,913. Future stock-based compensation expense is expected to be as follows for the years ending December 31:

2026	$ 501,151
2027	345,470
2028	168,735
2029	41,592
Total related to options expected to vest	1,056,948
Performance grants not probable of achievement	9,902,965
Total unrecognized compensation expense	$ 10,959,913

The performance grants not probable of achievement are generally related to the receipt of regulatory approvals or sales milestones predicated on the receipt of regulatory approvals not yet received. Under current U.S. GAAP, these milestones are generally not considered probable until the regulatory approval is obtained.

Issuance of additional options subsequent to December 31, 2025 could affect future expected amounts.

Restricted Stock

On May 15, 2024, the Company granted 315,946 shares of restricted stock to its three independent board directors. The restricted stock vests annually over four years on the anniversary of the grant date, provided that the participant continuously provides services to the Company through the applicable vesting date. The fair market value on the date of grant was $0.30 per share.

On May 14, 2025, the Company granted 121,260 shares of restricted stock to its three independent board directors. The restricted stock vests annually on the anniversary of the grant date, provided that the participant continuously provides services to the Company through the applicable vesting date. The fair market value on the date of grant was $1.07 per share.

A summary of activity related to time-based nonvested restricted stock grants during 2025 and 2024 is as follows:

	Nonvested Restricted Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	751,812	$ 0.22
Granted	315,946	0.30
Vested	(206,597)	0.22
Forfeited	-	-
Outstanding as of December 31, 2024	861,161	$ 0.25
Granted	121,260	1.07
Vested	(285,583)	0.24
Forfeited	-	-
Outstanding as of December 31, 2025	696,838	$ 0.39

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 10 – Stockholders' Equity (cont.)

Total stock-based compensation expense resulting from grants of restricted stock was $90,128 and $60,924 for the years ended December 31, 2025 and 2024, respectively, and is included in general and administrative expenses on the consolidated statements of operations. No income tax benefits were recognized related to this compensation expense due to the full valuation allowance provided on the Company's deferred income tax assets.

As of December 31, 2025, the total unrecognized compensation cost related to unvested restricted stock was $206,980. Future unrecognized stock-based compensation expense is expected to be as follows for the years ended December 31 thereafter:

2026	$	88,593
2027		65,160
2028		41,327
2029		11,900
Total	$	206,980

Issuance of additional shares of restricted stock subsequent to December 31, 2025 could affect future expected amounts.

Warrants

As part of the convertible notes (related party) issuances in 2022 and 2023 and the equity raises in 2023, the Company issued warrants to purchase common stock or CDIs which are summarized below:

	Number of Warrants		Weighted-Average Exercise Price
Warrants outstanding - December 31, 2023	5,216,158	$	0.4742
Warrants issued	-		-
Warrants exercised	-		-
Warrants expired/forfeited	-		-
Warrants outstanding - December 31, 2024	5,216,158	$	0.4742
Warrants issued	-		-
Warrants exercised	-		-
Warrants expired/forfeited	-		-
Warrants outstanding - December 31, 2025	5,216,158	$	0.4742
Warrants exercisable - December 31, 2025 and 2024	5,216,158	$	0.4742

The warrants issued in connection with the equity raises were evaluated under ASC 480 and ASC 815. Of the 3,265,318 warrants issued in connection with the equity raises, 2,100,568 were determined to qualify as liabilities due to the exercise price being denominated in a currency other than the Company's functional currency, while the remaining 1,164,750 do not meet the characteristics for liability classification under either provision and as such are classified as equity under ASC 815. The warrants expire ten years after the dates of issuance. In addition, the Company has 1,950,840 warrants outstanding that were issued in connection with the convertible notes (related party) issuances, which are classified as equity under ASC 815. See Note 7 for further details.

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NOTE 10 – Stockholders' Equity (cont.)

Any subsequent changes in fair value of warrants classified as a liability have been recorded in change in fair value of warrant liabilities in the consolidated statements of operations. The following table provides a summary of change in fair value of the warrants classified as a liability for the year ended December 31, 2025 and 2024:

Fair value at December 31, 2023	$ 652,516
Fair value change in warrants	879,551
Fair value at December 31, 2024	1,532,067
Fair value change in warrants	296,610
Fair value at December 31, 2025	$ 1,828,677

As of December 31, 2025 and 2024, the fair value of the warrants of $1,828,677 and $1,532,067, respectively, are classified as warrant liabilities on the consolidated balance sheets.

The fair value of the warrants was determined using the Black-Scholes option pricing model utilizing the following assumptions:

	December 31, 2025	December 31, 2024
Expected dividend yield	0%	0%
Expected stock-price volatility	85.3% - 85.5%	85.9% - 86.1%
Risk-free interest rate	4.60%	4.37%
Stock price	$ 1.0240	$ 0.8455
Conversion price	$0.6358 - $0.6693	$0.5906 - $0.6217

The fair value of warrants was determined using the Black-Scholes option pricing model with assumptions consistent in methodology to those used for stock options, except that the contractual life of the warrant is used as the expected term.

NOTE 11 – Income Taxes

As of December 31, 2025, the Company had generated approximately $116,363,000 of net operating losses ("NOL") for federal tax purposes. As a result of the Tax Cuts and Jobs Act, for U.S. income tax purposes, NOLs generated prior to December 31, 2017 can still be carried forward for up to 20 years, while NOLs generated after December 31, 2017 carryforward indefinitely, but are limited to 80% utilization against taxable income. Of the total federal NOL of $116,363,000, $18,662,000 will begin to expire in 2028 through 2037, and $97,701,000 will not expire but will only offset 80% of future taxable income.

As of December 31, 2025, the Company had also generated approximately $36,931,000 of state NOLs. The state NOLs can be carried forward for up to 15 years and are limited to 80% utilization against taxable income. The state NOLs will begin to expire in 2026 through 2039 if they are not used.

As of December 31, 2025, the Company had approximately $2,458,000 of federal research and development ("R&D") credit carryforwards available for federal tax purposes. As of December 31, 2025, the Company also had approximately $1,293,000 of state R&D credit carryforwards available for Minnesota. The federal R&D credits carryforwards will begin to expire in 2028 through 2037, and the state R&D credits carryforwards will begin to expire in 2028 through 2039, if they are not used.

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NOTE 11 – Income Taxes (cont.)

In assessing the realizability of deferred tax assets as of December 31, 2025 and 2024, the Company determined it is more likely than not that its net deferred tax assets will not be realized and the Company continues to maintain a valuation allowance for the full amount of the deferred tax assets.

Pursuant to Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "Code"), annual use of the Company's NOLs and R&D credit carryforwards may be limited if there is a cumulative change in ownership of greater than 50% within a three-year period. The amount of annual limitation is determined based on the value of the Company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. If sufficiently limited, the related tax assets would be removed from the deferred tax asset schedule with a corresponding reduction in the valuation allowance.

In 2023, the Company completed an analysis of past equity offerings, and other transactions that had an impact on the Company's ownership structure, for potential ownership changes under Sections 382 and 383 of the Code and concluded that the Company experienced ownership changes in 2009, 2011 and 2020. The analysis determined that there were limitations on the amount of pre-ownership change NOL carryforwards that can be utilized annually to offset future taxable incomes.

In 2024 and 2025, the Company completed an analysis of equity offerings during the respective years, and other transactions that have an impact on the Company's ownership structure, for potential ownership changes under Sections 382 and 383 of the Code and concluded no ownership changes were experienced during either year. The Company may experience subsequent ownership changes as a result of future equity offerings or other changes in the ownership of Company stock, some of which are beyond the Company's control. Similar provisions of state tax law may also apply to limit the use of accumulated state tax attributes.

The Company conducts intensive research and experimentation activities, generating R&D tax credits for Federal and state purposes under Section 41 of the Code. The Company has not performed a formal study validating these credits claimed in the tax returns. Once a study is prepared, the amount of R&D tax credits available could vary from what was originally claimed on the tax returns.

Net loss from operations before income tax expense (benefit) for the year ended December 31:

	2025	2024
U.S.	$ (25,036,699)	$ (29,692,831)
Foreign	(281,863)	-
Total	$ (25,318,562)	$ (29,692,831)

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NOTE 11 – Income Taxes (cont.)

Income tax expense (benefit) consists of the following for the years ended December 31:

	2025	2024
Current:		
Federal	$ -	$ -
State	-	-
Foreign	-	-
	-	-
Deferred:		
Federal	(5,271,000)	(6,686,000)
State	(121,000)	(260,000)
Foreign	(73,000)	-
	(5,465,000)	(6,946,000)
Deferred tax asset valuation allowance	5,465,000	6,946,000
Total provision (benefit)	$ -	$ -

The Company paid no income taxes during the years ended December 31, 2025 and 2024 due to net operating losses.

The provision for income taxes differs from the tax computed using the statutory U.S. federal income tax rate of 21% for the year ended December 31, 2025, as a result of the following items:

	2025	
	Amount	Percent
U.S. federal statutory income tax rate	$ (5,317,000)	21.0%
Domestic federal		
Tax Credits		
Research and development credits, net	(480,000)	1.9%
Other	50,000	-0.2%
Nontaxable and nondeductible items	41,000	-0.2%
Changes in valuation allowance	5,296,000	-20.9%
Changes in tax rates enacted in the current period	-	0.0%
Other	251,000	-1.0%
Domestic state and local income taxes, net of federal effect	(39,000)	0.2%
Foreign tax effects	59,000	-0.2%
Changes in unrecognized tax benefits	139,000	-0.5%
Net deferred tax assets (liabilities)	$ -	0.00%

State and local income taxes relate primarily to Minnesota income taxes, net of federal effect. Minnesota comprises substantially all of the state tax effect for the year ended December 31, 2025.

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NOTE 11 – Income Taxes (cont.)

The provision for income taxes differs from the tax computed using the statutory U.S. federal income tax rate of 21% for the year ended December 31, 2024, as a result of the following items:

	2024
Tax at U.S. statutory rate	$ (6,235,000)
State tax expense, net of federal benefit	(393,000)
Permanent items and other	(87,000)
R&D credits, net	(205,000)
Fair value change in convertible notes (related party)	(194,000)
Change in tax rate	168,000
Change in valuation allowance	6,946,000
Income tax expense	$ -

Components of deferred income taxes are as follows as of December 31:

	2025	2024
Deferred tax assets:		
Net operating loss carryforwards	$ 27,368,000	$ 22,204,000
Research and development credit carryforwards	3,480,000	3,010,000
Section 174 Capitalization of R&D	2,080,000	3,333,000
Stock-based compensation	237,000	360,000
Accrued expenses	213,000	291,000
Deferred revenue	246,000	254,000
Fixed assets	447,000	352,000
Fair value change of financial instruments	5,503,000	4,330,000
Prepaid expenses and other assets	55,000	-
Gross deferred tax assets	39,629,000	34,134,000
Valuation allowance	(39,472,000)	(34,007,000)
Deferred tax assets, net	157,000	127,000
Deferred tax liabilities:		
Prepaid expenses and other assets	-	47,000
Foreign currency exchange	157,000	80,000
Gross deferred tax liabilities	157,000	127,000
Net deferred tax assets (liabilities)	$ -	$ -

Due to net losses since inception and the uncertainty of realizing the deferred tax assets, the Company has a full valuation allowance against its net deferred tax assets. To the extent that the Company generates positive income and expects, with reasonable certainty, to continue to generate positive income, the Company may release all, or a portion of, the valuation allowance in a future period. This release would result in the recognition of all, or a portion of, the Company's deferred tax assets, resulting in a decrease to income tax expense for the period such release is made.

The following table sets forth information related to the valuation allowance as of and for the years ended December 31:

	2025	2024
Balance at January 1	$ 34,007,000	$ 27,061,000
Additions charged to income tax benefit	5,465,000	6,946,000
Balance at December 31	$ 39,472,000	$ 34,007,000

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NOTE 11 – Income Taxes (cont.)

The following table sets forth information related to the unrecognized tax benefits as of and for the years ended December 31:

	2025	2024
Balance at January 1	$ 810,000	$ 723,000
Additions based on current year tax positions	139,000	87,000
Balance at December 31	$ 949,000	$ 810,000

The Company's unrecognized tax benefits are netted against the underlying deferred tax assets. As of December 31, 2025 and 2024, none of the unrecognized tax benefits, if recognized, would affect the effective tax rate due to the full valuation allowance maintained against the Company's deferred tax assets.

The Company files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. The tax years from 2008 through December 31, 2025 remain subject to examination by all major taxing authorities due to the net operating loss carryforwards. The Company is not currently under examination by any taxing jurisdiction. The Company has elected to record the income taxes and any related interest and penalties as income tax expense in the Company's consolidated statements of operations.

Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and the Company's effective tax rate in the future. On July 4, 2025, the One, Big, Beautiful Bill Act (the "Act") was signed into law. The Act contains significant tax law changes with various effective dates affecting business taxpayers, including making permanent the current 21% U.S. federal corporate income tax rate and modifying the timing of certain tax deductions, such as depreciation expense, research and development expenditures, and interest expense. The Company implemented the provisions of the Act in its income tax accounting for the year ended December 31, 2025. The enactment of the Act did not have a material effect on the Company's consolidated financial statements for the current period, and the Company does not currently expect the provisions of the Act to have a material impact on its effective tax rate in future periods.

NOTE 12 – Segment Information

The Company sells capital equipment, which includes both Imricor-developed and third-party equipment, and consumable products, for use in iCMR labs, and capital equipment maintenance service agreements.

Operating segments are defined as components of an enterprise about which separate discrete financial information is available for evaluation by the Chief Operating Decision Maker ("CODM") when making decisions regarding resource allocation and assessing performance. The Company's CODM is its Chief Executive Officer, who reviews consolidated financial results when making resource allocation decisions or evaluating Company performance. The Company manages its business on a consolidated basis and operates as one reportable segment, and the CODM's primary measure of segment profit or loss is net loss.

For the Company's single reportable segment, the total amounts of segment profit or loss and segment assets are the same as net loss and total assets, respectively, presented in the accompanying consolidated financial statements.

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IMRICOR MEDICAL SYSTEMS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 12 – Segment Information (cont.)

The following table summarizes the significant expense categories reviewed by the CODM for the years ended December 31:

	2025	2024
Revenues		
Equipment revenue	$ 37,798	$ 305,891
Consumable revenue	170,578	460,693
Service revenue	83,933	77,091
Consulting revenue	-	115,749
Total Revenues	292,309	959,424
Costs and expenses		
Cost of goods sold	2,325,837	1,883,542
Sales expenses	2,577,864	1,147,455
Marketing expenses	1,722,401	1,124,589
Clinical research expenses	2,335,524	1,409,113
Regulatory affairs and quality assurance expenses	3,169,087	2,514,980
Other research and development expenses	5,651,154	4,256,091
General and administrative expenses	5,301,396	4,920,466
Total Costs and Expenses	23,083,263	17,256,236
Loss from Operations	(22,790,954)	(16,296,812)
Other income (expense)		
Interest income	1,180,294	257,718
Foreign currency exchange gain	1,509,925	197,867
Other expense	(5,217,827)	(13,851,604)
Total Other Income (Expense)	(2,527,608)	(13,396,019)
Net loss	$ (25,318,562)	$ (29,692,831)

Other segment items within net loss correspond to the consolidated statements of operations line items for interest expense, government grant income, change in fair value of convertible notes (related party), change in fair value of option liabilities, change in fair value of warrant liabilities, and other expense.

Revenues by region were as follows:

	December 31, 2025	2024
Europe	$ 292,309	$ 688,209
U.S.	-	115,749
Middle East	-	155,466
Total revenue by geography	$ 292,309	$ 959,424

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 12 – Segment Information (cont.)

The following table provides revenue by country based on the location where services are provided and products are sold for more than 10% of the total revenue for the years ended December 31:

	December 31, 2025	December 31, 2024
Netherlands	$ 156,112	$ 98,237
Germany	112,859	167,320
Hungary	23,338	178,187
Switzerland	-	166,046
Qatar	-	155,466
U.S.	-	115,749
Other countries	-	78,419
	$ 292,309	$ 959,424

Product revenue by type were as follows:

	December 31, 2025	December 31, 2024
Equipment revenue	$ 37,798	$ 305,891
Consumable revenue	170,578	460,693
Total product revenue	$ 208,376	$ 766,584

Property and equipment is held in the following countries:

	December 31, 2025	December 31, 2024
U.S.	$ 1,121,585	$ 1,198,383
Germany	175,111	206,084
Other foreign countries	241,764	474,284
	$ 1,538,460	$ 1,878,751

No individual country other than the U.S. and Germany accounted for more than 10% of the total net book value.

See Note 1 for further details on the Company's products and services, geographic areas, and major customers.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of and for the years ended December 31, 2025 and 2024

NOTE 13 – Related Party Transactions

K.A.H.R. Foundation is considered a related party based on its ownership interest in the Company, its position as the sole holder of the Company's unsecured, unquoted convertible promissory notes and related warrants issued under the Securities Purchase Agreement dated December 16, 2022, and its contractual right to designate a member of the Company's Board of Directors. See Note 7 for further details on the convertible notes and warrants. Pursuant to the Securities Purchase Agreement, K.A.H.R. Foundation has the right, for so long as the convertible notes are outstanding, to designate one individual to serve as a member of the Company's Board of Directors (the "Lender Nominee"). Dr. Jeffrey Leighton has served as the Lender Nominee since July 2024.

In February 2024, an affiliate of K.A.H.R. Foundation purchased 1,666,667 shares of common stock in the Company's U.S. placement for an aggregate purchase price of $500,000, on the same terms as other investors in the offering. See Note 10 for further information regarding this placement.

NOTE 14 – Subsequent Events

For the year ended December 31, 2025, the Company evaluated, for potential recognition and disclosure, events that occurred through the date the consolidated financial statements were available for issuance, February 24, 2026.

In January 2026, the Company received 510(k) clearance under the premarket notification process from the U.S. Food and Drug Administration ("FDA") for its Vision-MR Diagnostic Catheter and its NorthStar Mapping System. At December 31, 2025, the related performance-based stock options associated with these regulatory milestones were assessed as not probable of achievement under ASC 718, as discussed in Note 10, and, accordingly, no stock-based compensation expense was recognized for these awards as of that date. The January 2026 FDA clearances caused the related performance conditions to be satisfied and certain performance-based stock options to vest, and the Company expects to recognize approximately $773,000 of additional stock-based compensation expense during 2026 in connection with these awards.

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Additional Stockholder Information

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Additional Stockholder Information

Additional Stockholder Information

The Company has CHESS Depositary Interests (CDIs) quoted on the Australian Securities Exchange (ASX) trading under the ASX code IMR. Each CDI represents an interest in one share of Class A common stock of the Company (Share). Legal title to the Shares underlying the CDIs is held by CHESS Depositary Nominees Pty Ltd (CDN), a wholly owned subsidiary of the ASX. The Company's securities are not quoted on any other exchange.

Except where noted, all information provided below is current as at 16 March 2026, except as otherwise stated. To avoid double-counting, the holding of Shares by CHESS Depositary Nominees Pty Limited (underpinning the CDIs on issue) have been disregarded in the presentation of the information below, unless otherwise stated.

Share Capital

Type of Security	No. of Securities
Total number of issued shares[1]	320,947,028
Total number of issued CDIs	269,010,509

1. Includes shares held by CHESS Depositary Nominees Pty Limited (269,010,509).

Top 20 Holders of CDIs and Shares Combined (based on share registry reports)

Rank	Name	Number	% of issued capital
1	CITICORP NOMINEES PTY LIMITED <DOMESTIC HIN A/C>	57,023,936	17.77
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	40,151,740	12.51
3	BNP PARIBAS NOMS (NZ) LTD	20,049,448	6.25
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,075,805	4.07
5	ARGO INVESTMENTS LIMITED	12,138,407	3.78
6	UBS NOMINEES PTY LTD	9,909,899	3.09
7	WARREN G HERREID II	9,486,098	2.96
8	SIEMENS MEDICAL SOLUTIONS USA INC	8,384,150	2.61
9	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	8,061,022	2.51
10	HR GLOBAL INVESTMENTS LLC	7,229,579	2.25
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	5,494,379	1.71
12	KAHR FOUNDATION	2,950,988	0.92
13	STEVEN R WEDAN	2,693,720	0.84
14	MACLAY GROUP PTY LTD <MACLAY LONGHURST FAMILY A/C>	2,662,178	0.83
15	MR GRANT BRUCE BYRON TAYLOR + MR KEITH ROBERT TAYLOR <SORRENTO A/C>	2,434,891	0.76
16	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	2,373,909	0.74
17	MR KENNETH JOSEPH HALL <HALL PARK A/C>	1,923,077	0.60
18	POUNAMU CAPITAL PTY LIMITED	1,923,077	0.60
19	BAUER PRIVATE EQUITY FUND VI LLC	1,696,555	0.53
20	MR KENNETH JOSEPH HALL <HALL PARK A/C>	1,617,703	0.50
	Top 20 holders	211,280,561	65.83
	Remaining holders	109,666,467	34.17
	Total	**320,947,028**	**100.00**

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Substantial Holders

The names of substantial holders in the Company and their respective holdings of equity securities (to the best of the Company's knowledge) are as follows:

Name	Number of equity securities	% voting
Hart Capital Partners	19,378,198	6.04
Greencape Capital Pty Ltd	18,462,138	5.75

Distribution of CDIs and Shares

Range	Number	% of issued capital	No. of holders
1 – 1,000	271,545	0.08	497
1,001 – 5,000	1,773,929	0.56	626
5,001 – 10,000	2,376,623	0.74	299
10,001 – 100,000	28,787,713	8.97	789
100,001 and over	287,737,218	89.65	264
Total	**320,947,028**	**100.00**	**2,475**

There are 95 investors holding less than a marketable parcel of CDIs or Shares, based on a minimum of A$500 parcel at A$1.88 per CDI or Share (close of trade price on 16 March 2026)

Distribution of Options Issued Under Equity Incentive Plans

Range	Number	% of issued capital	No. of holders
1 – 1,000	–	–	–
1,001 – 5,000	-	-	-
5,001 – 10,000	28,500	0.09	4
10,001 – 100,000	626,540	1.84	22
100,001 and over	33,372,581	98.07	24
Total	**34,027,621**	**100.00**	**50**

Convertible Notes

As at 16 March 2026, the Company has two Convertible Notes issued to the K.A.H.R. Foundation (see ASX announcement dated 19 December 2022 for full details).

Warrants and Options Issued in Connection with Financing Activities

Expiry date	Exercise Price US$[1]	No. of Securities
7 July 2026	0.43	5,051,539
23 December 2027	0.26	907,141
28 March 2028	0.26	1,043,699
14 July 2033	0.60	428,571
10 August 2033	0.60	384,616
15 August 2033	0.70	319,068
18 October 2033	0.60	78,125
19 October 2033	0.60	273,438
23 October 2033	0.67	1,781,500

1. Where contractual exercise price is defined in Australian dollars, converted to US dollars using an exchange rate of A$1 to US$0.70.

Securities Subject to Voluntary Escrow

Last day of escrow	No. of Securities
9 May 2026	74,575
12 May 2026	132,023
14 May 2026	30,315
15 May 2026	78,987
12 May 2027	132,020
14 May 2027	30,315
15 May 2027	78,987
14 May 2028	30,315
15 May 2028	78,985
14 May 2029	30,315

Required Statements

- There is no current on-market buy-back of the Company's securities.
- The Company is incorporated in the state of Delaware in the United States of America.
- The Company is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act 2001 (Cth) dealing with the acquisition of shares (i.e., substantial holdings and takeovers).
- The Company's securities are not quoted on any exchange other than the ASX.
- The Company's Australian Company Secretary is Mr Kobe Li.
- Under the Delaware General Corporation Law, shares are generally freely transferable subject to restrictions imposed by US federal or state securities laws, by the Company's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, or by an agreement signed with the holders of the shares at issue. The Company's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws do not impose any specific restrictions on transfer.

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Voting Rights

Every holder of Shares present in person or by proxy is entitled one vote for each Share held on the record date for the meeting on all matters submitted to a vote of stockholders. Options and Warrants do not carry a right to vote.

CDI holders may attend and vote at the Company's general meetings. The Company must allow CDI holders to attend any meeting of stockholders unless relevant US law at the time of the meeting prevents CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders may:

- instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the CDI Registry before the meeting ; or
- convert their CDIs into a holding of Shares and vote these at the meeting. Afterwards, if the former CDI holder wishes to sell their investment on the ASX, the holder would need to convert the Shares back to CDIs. In order to vote in person, the conversion of CDIs to Shares must be completed before the record date for the meeting. For information on the process for converting CDIs to common stock, please contact the CDI registry.

One of the above steps must be undertaken before CDI holders can vote at stockholder meetings. CDI voting instruction forms and details of these alternatives will be included in each notice of meeting or proxy statement sent to CDI holders.

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Corporate Directory

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Corporate Directory

US Office and Headquarters

Imricor Medical Systems, Inc.
400 Gateway Boulevard
Burnsville, Minnesota 55337
United States
Telephone: +1 952 818 8400

Board of Directors

Steve Wedan (Chairman and CEO)

Mark Tibbles (Non-Executive Director)

Anita Messal (Non-Executive Director)

Peter McGregor (Non-Executive Director)

Jeffrey Leighton (Non-Independent, Non-Executive Director)

Aldo Denti (Non-Executive Director)

Local Agent & Company Secretary

Kobe Li

Australian Registered Address

Level 30, 35 Collins Street
Melbourne, VIC 3000 Australia

CDI Registry

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne, Victoria 3001 Australia
Telephone: 1300 850 505 (within Australia) or
+61 3 9415 4000 (outside Australia)
www.computershare.com

Share Registry

Computershare Trust Company, N.A.
150 Royall Street
Canton, Massachusetts 02021
United States
www.computershare.com

Australian Legal Advisor

Johnson Winter & Slattery
Level 14, 50 Bridge Street
Sydney, NSW 2000 Australia
Telephone: +61 2 8274 9555
www.jws.com.au

US Legal Advisor & Patent Attorney

Fox Rothschild LLP
City Center
33 South Sixth Street, Suite 3600
Minneapolis, Minnesota 55402
United States
Telephone: +1 612 607 7000
www.foxrothschild.com

Auditor

BDO USA, P.C.

800 Nicollet Mall, Suite 600
Minneapolis, Minnesota 55402
United States
Telephone: +1 612 367 3000
http://www.bdo.com

ASX Code

ASX: IMR

Website

www.imricor.com

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