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

Form 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025
Or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission File Number 001-34899

Pulse Biosciences, Inc.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**46-5696597** **(I.R.S. Employer Identification No.)**
601 Brickell Key Drive, Suite 1080 **Miami, FL** **(Address of principal executive offices)**	**33131** **(Zip Code)**

Registrant's telephone number, including area code: (510) 906-4600

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.001 per share	**PLSE**	**The Nasdaq Stock Market LLC**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

Aggregate market value of registrant's common stock held by non-affiliates of the registrant on June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing price of the registrant's common stock on such date as reported by Nasdaq Capital Market, was approximately $266.2 million. Shares of voting stock held by each officer and director have been excluded in that such persons may be deemed to be affiliates. This assumption regarding affiliate status is not necessarily a conclusive determination for other purposes.

Number of shares outstanding of the registrant's common stock as of February 13, 2026: 67,989,078

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"Pulse Biosciences," the Pulse logos and other trademarks or service marks that we use in connection with the operation of our business appearing in this annual report on Form 10-K (this "Annual Report"), including nPulse, Vybrance, CellFX, Nano-pulse Stimulation, nsPFA, nano-PFA, and NPS, are the property of Pulse Biosciences, Inc. Solely for your convenience, some of our trademarks and trade names referred to in this Annual Report are listed without the ® and ™ symbols, but we will assert, to the fullest extent under applicable law, our rights to our trademarks and trade names. Also, this Annual Report may contain additional trade names, trademarks or service marks of others, which are the property of their respective owners. We do not intend our use or display of any other company's trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any of these other companies.

Unless expressly indicated or the context requires otherwise, the terms "Pulse," "Company," "we," "us," and "our," in this document refer to Pulse Biosciences, Inc., a Delaware corporation, and, where appropriate, its wholly owned subsidiaries.

SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements relate to expectations concerning matters that are not historical facts. Words such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "might," "plans," "projects," "will," "would," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements include, but are not limited to, statements related to our expected business, new product introductions, results of clinical studies, expectations regarding regulatory clearance and the timing of FDA or non-US filings or approvals including meetings with FDA or non-US regulatory bodies, procedures and procedure adoption, future results of operations, future financial position, our ability to generate revenue, our financing plans and future capital requirements, anticipated costs of revenue, anticipated expenses, the effect of recent accounting pronouncements, our anticipated cash flows, our ability to finance operations from cash flows or otherwise, and statements based on current expectations, estimates, forecasts, and projections about the economies and markets in which we operate and intend to operate and our beliefs and assumptions regarding these economies and markets. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. You should read the "Risk Factors" section of this Annual Report for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained herein. We do not assume any obligation to update any forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Annual Report, and although we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted a thorough inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. This Annual Report and any documents incorporated by reference may contain market data that we obtain from industry sources. These sources do not guarantee the accuracy or completeness of the information. Although we believe that our industry sources are reliable, we do not independently verify the information. The market data may include projections that are based on other projections. While we believe these assumptions and projections are reasonable and sound, as of the date of this Annual Report, actual results may differ from the projections.

SUMMARY OF RISK FACTORS

Summary

Below is a summary of the principal factors that make an investment in Pulse Biosciences, Inc. speculative or risky. The following summary does not contain all of the information that may be important to you, and you should read the below summary in conjunction with the more detailed discussion of risks set forth under the heading "Risk Factors" in Part I, Item IA of this Annual Report on Form 10-K.

Risks Related to Our Financial Position and Need for Additional Capital

- We will need to obtain additional funding to finance our operations and complete the development and commercialization of our products, which may result in further dilution to our investors, or require us to incur indebtedness, which could impair our liquidity position. If we do not receive substantial capital when needed, we may be forced to restrict our operations or delay, reduce or eliminate our product development programs.

- We depend heavily on the success of NPS to nonthermally clear targeted cells while sparing adjacent noncellular tissue. If we are unable to successfully develop and commercialize this patented technology, or experience significant delays in doing so, we may extend the period during which we will incur significant financial losses as a company.

- We are principally a development-stage company with limited experience commercializing products. We have incurred significant losses since our inception. We anticipate that we will continue to incur losses for at least the next several years and may never generate profits from operations or maintain profitability if we do.

Risks Related to the Development and Commercialization of our Medical Products

- Medical device development and commercialization is a complex, time-consuming and expensive process. Our industry is fraught with risk and a high rate of failure.

- We can provide no assurance that our clinical product candidates, including our product candidates for the treatment of atrial fibrillation ("AF"), such as our nPulse Cardiac Clamp and our nPulse Cardiac Catheter, will obtain regulatory approval or that the results of clinical studies will be favorable.

- We have had limited sales and marketing experience and can give no assurances that our devices will be adopted by surgeons or other physicians to treat any medical condition.

- Regulatory requirements may affect the scope and timeline of our trials and the potential market for our product candidates, including the possibility of significant delays to any product launch.

- The medical device industry is characterized by intense competition, rapid technological changes, new product introductions and enhancements, and evolving industry standards. If we do not develop and obtain regulatory clearances or approvals for new products or product enhancements in time to meet market demand, or if there is insufficient demand for our products or enhancements, our results of operations will suffer.

- Commercialization of our product candidates could be delayed or prevented if we experience any number of possible unforeseen events in connection with our clinical trials.

- If clinical trials of our product candidates fail to demonstrate safety and effectiveness to the satisfaction of applicable regulatory bodies, such as the U.S. Food and Drug Administration or the European Medicines Agency, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our devices.

Risks Related to Our Industry and Market

- We face substantial competition, which may result in others developing or commercializing competitive products before or more successfully than we do.

- We compete against well-established incumbent technologies offering products in cardiology, oncology, and minimally invasive procedures. Many of these companies currently have greater financial, technical, research, and/or other resources than we do and have larger and more established manufacturing capabilities and marketing, sales, and support functions.

- We may pursue business development opportunities to expand or enhance our pipeline of potential products, including through potential acquisitions of and/or collaborations with other entities, which may not achieve intended results or could increase the number of our outstanding shares, result in a change of control or cause us to incur a material amount of indebtedness.

Legal, Tax and Regulatory Risks

- Our ability to commercialize any of our product candidates is subject to substantial regulatory and legislative uncertainty, including as to pricing, reimbursement practices or other healthcare initiatives which could harm our business.

- We may face costly legal claims such as litigation related to product liability or alleged intellectual property infringement.

- Trade tariffs and changes at the U.S. FDA may adversely affect our operating costs and timelines.

Risks Related to Our Intellectual Property, Cybersecurity and Data Privacy

- We rely upon patents to protect our technology. We may be unable to protect our intellectual property rights and we may be liable for infringing the intellectual property rights of others.

- Our actual or perceived failure to comply with stringent and changing obligations related to data privacy and security or to any of our other legal compliance obligations could lead to regulatory investigations and actions, litigation, fines and penalties, disruptions to our business operations, reputational harm, loss of revenue and profits, and other adverse business impacts.

- We are exposed to risks related to cybersecurity and data privacy threats and incidents and we are subject to restrictions and changes in laws and regulations governing our data privacy and data protection, any of which could have a material adverse effect on our business.

Risks Related to Corporate Governance and Employee Relations

- Our future success depends on our ability to retain our chief executive officers and other key executives and to attract, retain and motivate qualified personnel.

- Our Co-Chairman, Robert Duggan, owns approximately 72% of the voting power of the outstanding shares of our common stock and, as a result, investors may have limited ability to affect either the corporate governance of the Company or the taking of certain major decisions.

Risks Related to Owning Our Common Stock

- Substantial future sales of our shares of common stock in the public market, or the perception that these sales could occur, could cause the price of the shares to decline significantly, even if our business is doing well.

- The prices of our shares of common stock may be volatile and fluctuate substantially, which could result in substantial losses for our stockholders.

- Approximately 72% of our outstanding shares are owned by our Co-Chairman and his affiliates, which reduces liquidity of our stock. Historically, our trading volume on Nasdaq has been low.

Part I

Item 1. Business

Overview

We are a novel ablation company committed to health innovation using our patented Nano-pulse Stimulation ("NPS") technology, a revolutionary energy modality that delivers nanosecond-duration pulses of electrical energy, each less than a millionth of a second long, to nonthermally clear or kill targeted cells. NPS technology, also referred to as Nanosecond Pulsed-Field Ablation ("nsPFA") technology when used to ablate cellular tissue, can be used to treat a variety of medical conditions for which an optimal solution remains unfulfilled. We developed our proprietary nPulse System (formerly known as CellFX), a novel nsPFA delivery platform, and commercialized the initial application of its nsPFA technology to treat benign lesions of the skin. In parallel, we have designed a variety of applicators, or disposables, to explore the potential use of the nPulse platform to treat disorders in other medical specialties, such as cardiology, gastroenterology, gynecology, and otolaryngology. These applicators include devices for open surgical procedures, endoscopic or minimally invasive procedures, and endoluminal catheters, and each has been used in preclinical studies. Based on our preclinical experience and the potential to significantly improve outcomes for patients in a large and growing market, we decided in 2022 to focus our primary efforts on the use of nsPFA energy and the nPulse platform in the treatment of atrial fibrillation, where approximately 1.9 million patients in the United States are diagnosed annually. This potentially represents a greater than $3.0 billion addressable market within electrophysiology alone combined with long-term double-digit growth. Additionally, we are also pursuing the treatment of atrial fibrillation via a surgical approach as well as select other markets where nsPFA technology could have a profound positive impact on healthcare for both patients and providers, such as surgical soft tissue ablation.

nPulse Vybrance Percutaneous Electrode System

Our first product for soft tissue ablation in a surgical setting, the Vybrance Percutaneous Electrode System, consists of a disposable, percutaneous, needle electrode for use with our proprietary nPulse Console. This novel electrode is designed to harness and deliver the key advantages of nsPFA energy, enabling precise nonthermal removal of cellular tissue without inducing thermal necrosis.

After years of preclinical development and testing, in June 2023, we initiated a first-in-human study using our proprietary nsPFA-enabled percutaneous electrode. This study was conducted by Professor Stefano Spiezia at the Ospedale del Mare in Naples, Italy, to help us better understand and confirm the mechanism of action and tissue response of nsPFA energy in internal organs such as the thyroid. Thirty study subjects were treated, all of whom tolerated the procedure well with no reported serious side effects. Ultrasound images post procedure showed treated portions of the benign thyroid nodules were mostly resorbed with no sign of scarring or fibrosis, which can be a side effect of other ablation modalities using thermal energies.

In parallel, in November 2023, we filed a premarket notification 510(k) with the FDA for clearance to commercialize our novel Vybrance Percutaneous Electrode System in the United States. In March 2024, we received FDA 510(k) clearance for our Vybrance Percutaneous Electrode System for use in the ablation of soft tissue in percutaneous and intraoperative surgical procedures. More recently, in August 2024, we received FDA 510(k) clearance for a second size of the percutaneous electrode needle, which we believe will provide our customers with an additional treatment option for their patients.

Since securing 510(k) clearance to market and sell the Vybrance Percutaneous Electrode System in the United States, we have engaged with experts in the field of soft tissue ablation to gather information to help shape our commercial endeavors (our "Pilot Program"). To date, we have placed our nPulse System at sites in the United States under either short-term evaluation, consulting or other early commercial agreements pursuant to which the sites have been performing initial patient treatments and evaluating the nPulse System as well as providing valuable feedback and support for our first launch of an nsPFA-enabled surgical product.

More recently, in September 2025, we commenced a clinical trial (PRECISE BTN) to generate clinical evidence to demonstrate the safety and effectiveness of this less-invasive thyroid preserving procedure and support commercialization of the Vybrance Percutaneous Electrode System in the United States. In this study, benign thyroid nodule soft tissue ablation procedures will be performed on up to 50 patients at up to four sites. Study endpoints evaluated during the follow-up timepoints will include safety, targeted nodule volume reduction, symptom reduction, and improvements in quality of life and cosmesis over various follow-up periods. The pace of enrollment is encouraging and we expect enrollment to complete in the next few months. To date, these clinicians, together with those in the Pilot Program as well as our first commercial accounts, have completed more than 300 patient procedures. We expect to pursue more clinical evidenced-based milestones in connection with the limited market release of our percutaneous electrodes.

Our Cardiac Surgical Program

Atrial fibrillation ("AF") is a type of heart arrythmia, or irregular heartbeat, caused by faulty electrical signals in the heart. AF is a highly prevalent condition and is growing significantly with an ageing population. It is estimated that 43 million people worldwide are affected by AF. Treatment requires the precise and safe ablation of heart tissue to block or otherwise prevent these faulty electrical signals from causing the irregular heartbeat, and we believe nsPFA energy is uniquely suited to perform an integral role for this application and that it will prove to be highly differentiated from other energy modalities in use today.

The results of preclinical and clinical testing of both our nPulse cardiac products, namely our surgical ablation clamp and our endocardial ablation catheter, have exceeded our expectations and initial data have been presented at physician and industry conferences. While these devices serve different physicians, the application of nsPFA energy to safely and effectively ablate cardiac tissue to treat AF are the same, and we believe there will be important synergies realized through their contemporaneous development. The Company's cardiac surgical ablation clamp and cardiac endocardial ablation catheter both generate our proprietary nsPFA pulses of electrical energy. We discuss each of these products under development in more detail below.

nPulse Cardiac Surgical Clamp

Our surgical cardiac ablation clamp is designed for use by cardiac surgeons during the surgical treatment of AF. The standard of care surgical procedure for the treatment of AF is performed by cardiac surgeons and called the Cox-Maze procedure. The Cox-Maze procedure typically uses thermal ablation technologies, such as heat with radiofrequency ablation or cold with cryoablation, to create specific ablation lines in the heart muscle. These ablation lines block the conduction of electrical impulses and can cure patients of their AF.

We believe our nsPFA energy can provide important advantages over today's thermal modalities in creating these ablation lines. For example, surgeons using the nPulse System should be able to deliver faster ablations and through thicker tissue than thermal modalities because of the nonthermal mechanism of action that nsPFA employs, which is not affected by heatsinks such as blood in the heart. In preclinical and clinical studies, our nsPFA Cardiac Clamp has consistently achieved transmural ablations in less than three seconds, independent of tissue type or thickness. Moreover, thermal modalities can cause char formation on electrode surfaces which can cause gaps in the ablation lines that might lead to treatment failure. This should not be an issue with nsPFA ablation given its nonthermal nature. Also, because nsPFA ablation does not significantly impact acellular tissue, such as collagen or cartilage, our technology has the potential to offer significant safety advantages over thermal modalities by allowing surgeons to ablate near and into vessels and valves without concern of permanent damage. And finally, nsPFA ablation has been shown to spare nerves of any permanent damage, even when treated directly, which is another concern for thermal modalities. We believe these advantages will be important to cardiac surgeons, so we are working with leaders in the field to develop this technology quickly.

Over the last several years, we have been developing the cardiac ablation clamp from proof-of-concept to prototype, and we now have what we believe will be our initial commercial design. The device was designed with the input of key physicians in cardiac surgery, and we believe it will offer a highly differentiated option relative to the standard of care thermal modalities. Today, we plan to pursue a PMA application for FDA approval to market the cardiac clamp specifically as a surgical way to treat AF. Seeking an AF indication through a PMA application will require pivotal clinical data to support the application.

In July 2024, we received Breakthrough Device Designation from the FDA for our nsPFA Cardiac Surgery System for the treatment of AF. The FDA's Breakthrough Devices Program is a voluntary program for certain medical devices that potentially provide for more effective treatment or diagnosis of a life-threatening or irreversibly debilitating disease or condition. More recently, our Cardiac Surgery System was enrolled in the FDA's Total Product Life Cycle (TPLC) Advisory Program (TAP). The FDA's Center for Devices and Radiological Health (CDRH) launched the TAP program to help generate more rapid development of high-quality, safe, effective, and innovative medical devices that are critical to public health. TAP's primary goal is to expedite patient access to innovative medical devices by providing early, frequent and strategic communications with the FDA and facilitating engagement with other key parties for developers of devices of public health importance. Both programs are designed to expedite the development, assessment, and review of medical devices for premarket approval, 510(k) clearance, or de novo marketing authorization. Breakthrough Devices, even those enrolled in the FDA's TAP Program, must still meet the FDA's rigorous standards for device safety and effectiveness in order to be authorized for marketing, however.

In September 2025, we received approval of our Investigational Device Exemption (IDE) to initiate our pivotal clinical trial of the cardiac surgical clamp and clinicians have already enrolled and treated the first patient in the study. This single-arm prospective study is designed to demonstrate primary effectiveness of the nsPFA Cardiac Surgical System for the treatment of AF in concomitant surgical procedures. Up to twenty sites, including two outside the United States, are planned to enroll up to 136 patients. Upon PMA approval, we would expect to commercialize the nPulse Cardiac Surgical System in the United States specifically as a treatment for AF. Separately, we have already enrolled more than 50 patients in our first-in-human clinical feasibility study of the cardiac clamp, a multi-center study of AF in the Netherlands, Poland and Austria. All of the patients in our first-in-human study have tolerated the procedure well and acute data have been encouraging.

nPulse Cardiac Catheter System

We believe our endocardial catheter ablation device will have many of the same advantages that the surgical ablation clamp appears to have with respect to both performance and safety compared to standard thermal modalities. Our nPulse Cardiac Catheter System is uniquely designed to provide a circumferential, or circular, ablation in a single treatment cycle. We believe this will enable faster treatment times compared to what is currently performed with thermal modalities, especially when ablating around the pulmonary veins, a common treatment approach for AF.

In recent years, Pulsed Field Ablation ("PFA") has gained attention in electrophysiology for the treatment of AF because of its safety profile and speed. Current clinical products employing PFA in AF treatment differ from nsPFA technology in that the pulse widths are longer, typically in the microsecond domain. We believe nsPFA technology, which delivers pulses of electrical energy that are each less than a millionth of a second long, can offer similar safety advantages as PFA and may provide improved efficacy advantages based on the circumferential design of our catheter and because it appears nsPFA technology can create deeper ablations. We believe these advantages will be important to electrophysiologists, so we are working with leaders in the field to develop this technology quickly.

Similar to the cardiac ablation clamp, our proprietary catheter has been in development for several years and we have been working with leaders in the electrophysiology field to test the catheter in preclinical studies. After seeing encouraging preclinical results, in December 2023, we initiated a first-in-human clinical study in Prague, Czech Republic, to test our nPulse Cardiac Catheter System in patients with AF and both the initial acute data and initial remapping data from this study were compelling. We therefore expanded the original clinical protocol in 2024 to include participation by two additional European sites, including a clinical site in Rome, Italy, with Dr. Andrea Natale M.D., F.A.C.C., F.H.R.S., F.E.S.C., a world recognized leader in electrophysiology and the current Executive Director at the Texas Cardiac Arrhythmia Institute. To date, nine clinical investigators at these European sites, including Dr. Natale and Dr. Vivek Reddy, Director of Cardiac Arrhythmia Services at the Mount Sinai Fuster Heart Hospital in New York, have enrolled and treated more than 165 patients in this first-in-human study. More recently, in February 2026, at the AF Symposium, Dr. Reddy presented 6- and 12-month follow up data for the first 150 patients from this study. These data show 96% procedural success of evaluable patients at one year as well as early indications of the disruptive market potential for our nPulse catheter, such as total procedure times in the study of approximately 65 minutes per patient.

Given the compelling data seen in the first-in-human study of our nPulse Cardiac Catheter, in July 2025, we submitted an Investigational Device Exemption (IDE) application for review by the FDA to conduct a single-arm, multicenter, prospective study designed to demonstrate primary safety and effectiveness of the nsPFA Cardiac Catheter System for the treatment of recurrent drug-resistant symptomatic paroxysmal AF. In December 2025, the FDA approved our IDE submission, and we have begun clinical site qualifications to begin enrollment. This IDE study is expected to enroll up to 155 patients at up to 30 sites, including three sites outside the United States. We continue to believe we will need PMA approval from the FDA to market and sell our catheter in the United States.

The nPulse Console

The nPulse Console is a tunable, software-enabled, console-based platform, designed to accommodate the clinical workflow preferred by physicians. The nPulse Console is configured to accept a variety of disposable applicators or electrodes across a range of clinical applications. In February 2021, we received 510(k) clearance from the FDA for the nPulse System for dermatologic procedures requiring ablation and resurfacing of the skin. In January 2021, we received Conformité Européene ("CE") marking approval for the nPulse System, which allows for marketing of the system in the European Union ("EU"). Shortly after these regulatory clearances, we began commercializing the nPulse System in dermatology for the treatment of benign skin lesions. However, in September 2022, we announced a shift in our focus from dermatology to cardiology and soft tissue ablation. We have ceased all commercial sales efforts and marketing operations in dermatology, and in 2022 we stopped manufacturing new dermatologic treatment tips for the nPulse System. At the present time, we continue to support our remaining commercial users and remain open to a potential commercial partnership. The nPulse Console is being used for our current efforts in the treatment of AF and as part of the Vybrance Percutaneous Electrode System.

We continue to believe nsPFA ablation, as well as NPS technology more broadly, has the potential to provide superior outcomes across a variety of medical disciplines and we may seek partnership opportunities to develop additional applications.

Intellectual Property

We maintain a portfolio of intellectual property surrounding our nPulse System and our NPS technology platform. As a medical technology company, our current patents and ongoing intellectual property development are, and will continue to be, a priority for our business. We believe our intellectual property is an important competitive advantage for us. We also rely on trade secrets, know-how, continuing technological innovations, and licensing opportunities to further develop, maintain, and strengthen our competitive position. We actively protect our intellectual property through a combination of patent registrations, trademarks, and copyright protections; confidentiality agreements with our employees, consultants, and other parties; and access control to sensitive information.

Today, on a worldwide basis, we own or exclusively license over 250 issued patents and own or exclusively license over 180 additional pending patent applications. The vast majority of our granted patents have an expiration date between 2035 and 2042. As in the past, we plan to continue to file new patent applications to protect our systems, algorithms, applicators, methods, and designs of our technologies and products as they evolve. Medical technologies such as ours may be used in many different applications and incorporate several patentable features, and our strategy will be to always strive to protect our products and technologies with multiple patents directed to the variety of features and applications, in order to establish a strong and useful patent portfolio against competitors, such that an expiration of a single patent should not lessen our overall comprehensive coverage and competitive advantage. We believe our NPS platform and nPulse System are protected by several issued patents, as well as pending patent applications.

Employees and Human Capital

As of December 31, 2025, we had 116 employees, of which most were located at our facility in Hayward, California. Of these employees, half were engaged in research and development activities and half were engaged in operations, sales, marketing, business development, and general and administrative activities.

Talent Acquisition and Development. We are committed to providing a respectful work environment to our diverse workforce. We provide equal employment opportunities to all persons regardless of race, age, color, gender, sexual orientation, national origin, physical or mental disability, religion, or any other characteristic protected by federal, state, or local law. We believe our employees are essential to our success and our ability to attract, develop, and retain key talent is a vital part of that. Our philosophy is to both develop talent from within and to strategically recruit key external talent. Our overall talent acquisition and retention strategy is designed to attract and retain diverse and qualified candidates to enable the success of the Company and achievement of our performance goals. The skills, experience and industry knowledge of key employees significantly benefit our operations and performance.

Compensation and Benefits Program. Our compensation program is designed to attract, motivate, and retain talented individuals who possess the skills necessary to support our business and contribute to our strategic goals, creating long-term value for our stockholders. We provide employees with competitive compensation packages that include base salary, annual incentive bonuses, 401(k), and equity awards tied to the value of our stock price. Our comprehensive benefits package also includes medical, dental, vision, life and disability plans, and an employee assistance program.

Wellness and Safety. The health and safety of our employees is of utmost importance to us. We currently operate under a hybrid model of onsite and remote work with our technical teams being mostly onsite on a full-time basis. We have policies and guidelines which are designed to protect the safety of our employees.

Competition

Our medical products and products under development are for applications that are constantly under pressure from intense competition from rapidly evolving companies and new scientific discoveries. We compete against well-established incumbent medical device companies that already offer a wide range of commercial products to cardiac surgeons, cardiologists, electrophysiologists, oncologists, interventional radiologists, and others, including products for minimally invasive procedures. For example, Abbott Laboratories, AtriCure, Inc., Boston Scientific Corporation, Johnson & Johnson (Biosense Webster), Medtronic plc, and several other companies all sell ablation-based surgical, minimally invasive, and catheter-based medical devices for the treatment of heart arrhythmias, including AF, as well as products for soft tissue ablation, which could be used to surgically ablate benign thyroid nodules ("BTN"). Additionally, many of these companies are also actively developing or already have microsecond PFA (micro-PFA) products for the treatment of AF. All of these companies currently have greater financial, technical, research, and/or other resources than we do and have larger and more established manufacturing capabilities and marketing, sales, and support functions. For minimally invasive procedures, including for the treatment of BTN, we also compete against the traditional surgical standard of care, including thyroid lobectomy and total thyroidectomy, as well as against providers of thermal ablation technologies, most notably radiofrequency ablation ("RFA") and microwave ablation ("MWA"). Our future success will depend on our ability to establish and maintain a competitive position in current and future technologies. Our technology is unique and differentiated in that NPS technology can influence many cellular functions depending on the energy applied. When it is used to stimulate primarily regulated cell death, such as through nsPFA ablation, we believe it will be less traumatic to treated tissue and result in less scarring and less collateral damage to surrounding tissues, which we feel will give us a competitive advantage over these more established companies despite formidable competition.

Government Regulation

The nPulse System is a medical device subject to extensive and ongoing regulation by the FDA under the Federal Food, Drug, and Cosmetic Act and its implementing regulations, as well as other federal and state regulatory bodies in the United States. These laws and regulations govern, among other things, product design and development, preclinical and clinical testing, manufacturing, packaging, labeling, storage, recordkeeping and reporting, clearance or approval, marketing, distribution, promotion, import and export, and post-marketing surveillance.

The FDA regulates the medical device market to ensure the safety and efficacy of our products. For medical devices that require pre-market review, the FDA allows for three clearance/approval pathways for a medical device to be commercialized: (i) approval via a Pre-market Approval Application ("PMA"), (ii) clearance of a 510(k) submission, or (iii) submission of a de novo application. The FDA has established three different classes of medical devices, based on the level of risk associated with using a device and consequent degree of regulatory controls needed to govern its safety and efficacy, as well as the appropriate clearance/approval pathway needed to obtain authorization to legally market a medical device in the United States.

Class I and Class II devices are considered low and moderate risk devices. Most Class I devices are exempt from premarket notification. Most Class II devices require 510(k) clearance from the FDA in order to be marketed in the United States. A 510(k) Premarket Notification is a premarket submission made to the FDA to demonstrate that the device to be marketed is substantially equivalent to a legally marketed Class II device, *i.e.,* a predicate device. Companies making a 510(k) submission must compare their 510(k)-candidate device to a predicate device and establish substantial equivalence to the satisfaction of the FDA. A device previously cleared under 510(k) or a device approved through a de novo application can be used as a predicate device for later developed substantially equivalent medical devices. However, establishing substantial equivalence in a 510(k) submission requires the candidate device to have the same intended use and the same technological characteristics as a predicate device. The FDA has a 90-calendar day review goal from the date of receipt of the 510(k) to either authorize or decline commercial distribution of the device, but clearance generally takes longer than 90 days. During the review process, the FDA may also request additional information which extends the review process. If the FDA decides that the product is not substantially equivalent to a predicate device, a clearance will not be granted, and the device cannot be commercialized. If a 510(k) submission is rejected by FDA, the applicant may be required to seek premarket authorization through the de novo pathway or the premarket approval pathway, which are more costly and will generally take longer for FDA approval.

Medical devices regarded as the highest risk by the FDA are typically designated Class III and generally require the submission of a PMA application for approval. Class III devices generally include life-sustaining, life-supporting, or implantable devices or devices without a known predicate technology already approved by the FDA. A PMA application must be accompanied by substantial data that supports the reasonable safety and effectiveness of the device, which includes the provision of preclinical, clinical, technical, manufacturing, and labeling information. After the FDA determines the application is sufficiently complete to commence a substantive review, it has 180 days to review the submission, but it can typically take longer (up to several years) as this regulatory body can request additional data, including clinical data or clarifications. The FDA may also impose additional regulatory scrutiny for a PMA, including the institution of an outside advisory committee (panel review) to assess the application or provide recommendations as to whether to approve a device. Although the FDA is not required to follow the recommendation of an advisory panel, it generally does. As part of its review, the FDA will also inspect the manufacturing operations of the company requesting approval to verify compliance with Quality System regulations.

If a new medical device does not qualify for the 510(k) premarket notification process because no predicate device can be identified to which it is substantially equivalent, the device is automatically classified into Class III. The Food and Drug Administration Modernization Act of 1997 established a new route to market for low to moderate risk medical devices that are automatically placed into Class III due to the absence of a predicate device, called the "Request for Evaluation of Automatic Class III Designation," or the de novo classification process. This process allows a manufacturer whose novel device is automatically classified into Class III to request down-classification of its medical device into Class I or Class II on the basis that the device presents low or moderate risk, rather than requiring the submission and approval of a PMA. If the manufacturer seeks reclassification into Class II, the manufacturer must include a draft proposal for special controls that are necessary to provide a reasonable assurance of the safety and efficacy of the medical device. The FDA may reject the reclassification petition if it identifies a legally marketed predicate device that would be appropriate for a 510(k) or determines that the device is not low to moderate risk and requires PMA or that general controls would be inadequate to control the risks and special controls cannot be developed.

After a device receives 510(k) clearance or PMA approval, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, will require a new 510(k) clearance or PMA Supplemental approval. The FDA requires each manufacturer to make this determination initially, but the FDA can review any such decision and can disagree with a manufacturer's determination. If the FDA disagrees with the determination not to seek a new 510(k) clearance or PMA Supplement, the FDA may retroactively require a new 510(k) clearance or PMA Supplement to be submitted. The FDA could also require a manufacturer to cease marketing and distribution and/or recall the modified device until clearance or approval is obtained. Also, in these circumstances, the manufacturer may be subject to significant regulatory fines, penalties, and warning letters.

Pervasive and Continuing Regulation

Even after a device is placed on the market with FDA clearance or approval, numerous regulatory requirements continue to apply. These include:

- the FDA's Quality Management System Regulation ("QMSR") which requires manufacturers, including third-party manufacturers, to follow stringent design, testing, control, documentation, and other quality assurance procedures during all aspects of the manufacturing process**;**
- labeling regulations and FDA and FTC prohibitions against the promotion of products for uncleared, unapproved, or off-label uses;
- medical device reporting regulations, which require that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur; and
- post-market surveillance regulations, which apply when necessary to protect the public health or to provide additional safety and efficacy data for the device.

The FDA has broad post-market and regulatory enforcement powers, and we must comply with the post-market surveillance regulations, including medical device reporting regulations. We are required to report to the FDA information if a Company device has, or may have, caused or contributed to a death or serious injury or has malfunctioned in a way that would likely cause or contribute to death or serious injury, if the malfunction of the device or one of our similar devices were to recur. If we fail to report events required to be reported to the FDA within the required timeframes, or at all, the FDA could take enforcement action and impose sanctions against us. Any such adverse event involving our products also could result in future voluntary corrective actions, such as recalls or customer notifications, or agency action, such as inspection or enforcement action. Any corrective action, whether voluntary or involuntary, as well as defending ourselves in a lawsuit, would require our time and capital, distract management from operating our business, and may harm our reputation and have a material adverse effect on our business, financial condition, and results of operations.

We may be subject to unannounced inspections by the FDA and the Food and Drug Branch of the California Department of Public Health to determine our compliance with the QSR and other regulations, and these inspections may include the manufacturing facilities of our suppliers.

Failure to comply with applicable regulatory requirements can result in enforcement action by the FDA, which may include any of the following sanctions:

- warning letters, fines, injunctions, consent decrees, and civil penalties;
- repair, replacement, refunds, recall, or seizure of our products;
- operating restrictions, partial suspension, or total shutdown of production;
- refusing our requests for 510(k) clearance or premarket approval of new products, new intended uses, or modifications to existing products;
- withdrawing 510(k) clearance or premarket approval that has already been granted; and
- criminal prosecution.

Regulatory System for Medical Devices in Europe

The European Union (the "EU") consists of 27-member states and has a coordinated system for the authorization of medical devices. Marketing medical devices in the EU is subject to compliance with the Medical Devices Directive 93/92/EEC (MDD) and the European Union Medical Device Regulation (2017/745 or EU MDR) following its entry into application on May 26, 2020. A medical device may be placed on the market within the EU only if it conforms to certain "essential requirements" and bears the CE Mark. The most fundamental and essential requirement is that a medical device must be designed and manufactured in such a way that it will not compromise the clinical condition or safety of patients, or the safety and health of users and others. In addition, the device must achieve the essential performance(s) intended by the manufacturer and be designed, manufactured, and packaged in a suitable manner.

Manufacturers must demonstrate that their devices conform to the relevant essential requirements through a conformity assessment procedure. The nature of the assessment depends upon the classification of the device. The classification rules are mainly based on three criteria: (i) the length of time the device is in contact with the body, (ii) the degree of invasiveness, and (iii) the extent to which the device affects the anatomy. Conformity assessment procedures for all but the lowest risk classification of device involve a notified body. Notified bodies are often private entities and are authorized or licensed to perform such assessments by government authorities. Manufacturers usually have some flexibility to select a notified body for the conformity assessment procedures for a particular class of device and to reflect their circumstances, *e.g.*, the likelihood that the manufacturer will make frequent modifications to its products. Conformity assessment procedures require an assessment of available clinical evidence, literature data for the product, and post-market experience in respect of similar products already marketed. Notified bodies also may review the manufacturer's quality systems. If satisfied that the product conforms to the relevant essential requirements, the notified body issues a certificate of conformity, which the manufacturer uses as a basis for its own declaration of conformity and application of the CE Mark. Application of the CE Mark allows the general commercializing of a product in the EU. The product can also be subjected to local registration requirements depending on the country.

The EU MDR, which repealed and replaced the MDD, entered into force on May 25, 2017 with a transition period extending until May 26, 2021. The EU MDR clearly envisages, among other things, stricter controls of medical devices, including strengthening of the conformity assessment procedures, increased expectations with respect to clinical data for devices, and pre-market regulatory review of high-risk devices. The EU MDR also envisages greater control over notified bodies and their standards, increased transparency, more robust device vigilance requirements, and clarification of the rules for clinical investigations. Under transitional provisions, medical devices with notified body certificates issued under the MDD prior to May 26, 2020, and which have not been significantly changed, may continue to be placed on the market for the remaining validity of the certificate, until 2027 or 2028, depending on risk class of the device. After the expiry of any applicable transitional period, only devices that have been CE marked under the EU MDR may be placed on the market in the EU.

Environmental

We are subject to federal, state, and local laws, rules, regulations, and policies governing the use, generation, manufacture, storage, air emission, effluent discharge, handling, and disposal of certain hazardous and potentially hazardous substances used in connection with our operations. Although we believe that we have complied with these laws and regulations in all material respects and, to date, have not been required to take any action to correct any noncompliance, there can be no assurance that we will not be required to incur significant costs to comply with environmental regulations in the future.

Insurance

We maintain product and clinical trial liability insurance coverage which includes a maximum of per claim and annual aggregate policy limits, subject to self-insured retentions. The policy covers, subject to policy conditions and exclusions, claims of bodily injury and property damage from any product manufactured by us or from trial-related adverse events.

There is no assurance that our level of coverage is adequate. We may not be able to sustain or maintain our current level of coverage and cannot assure you that adequate insurance coverage will continue to be available on commercially reasonable terms, or at all. A successful product liability claim may exceed our existing coverages and may make future coverages significantly more expensive, if available at all.

Available Information

Effective June 18, 2018, Pulse Biosciences reincorporated as a Delaware Corporation. We were originally incorporated in Nevada on May 19, 2014 under the name Electroblate, Inc. and changed our name to Pulse Biosciences, Inc. effective December 8, 2015. Our corporate offices are located at 601 Brickell Key Drive, Suite 1080, Miami, Florida, 33131. Our telephone number is (510) 906-4600.

Our website is located at www.pulsebiosciences.com. The information that can be accessed through our website is not incorporated into this Annual Report on Form 10-K, and the inclusion of our website address is an inactive textual reference only. Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge through the “Investor Relations” section of our website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (“SEC”).

Additionally, we use our website as a channel for distribution of important company information. Important information, including press releases, analyst presentations and financial information regarding us, as well as corporate governance information, is routinely posted and accessible on the “Investor Relations” section of the website, which is accessible by clicking “Investors” on our website home page.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report, including our financial statements and related notes, which could have a material adverse effect on our business, financial condition, results of operations, and prospects. The risks described below are not the only risks facing us. Risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially affect our business, financial condition, results of operations, and prospects. In addition, any worsening of the economic environment or political landscape may exacerbate the risks described below, any of which could have a material impact on us.

Risks Relating to Our Business, Industry and Financial Condition

Because we have had a limited operating history and no significant revenue stream, it is difficult to evaluate the future of our business.

We are a novel ablation company with no significant revenue producing operations at present. To date, our operations on a consolidated basis have consisted almost entirely of the continued development and clinical studies of our technologies and implementation of the early parts of our business plan. We have incurred significant operating losses in each year since our inception and we may continue to incur additional losses for the next several years. In addition, a high percentage of our expenses will continue to be fixed; accordingly, our losses may be greater than expected and our operating results may suffer. We have limited historical financial data upon which we may base our projected revenue and base our planned operating expenses. Our limited operating history makes it difficult to evaluate our technology, operations, and business prospects.

We have not generated significant revenue, and we may never become profitable.

To date, we have not generated significant revenue, and we have historically relied on financing from the sale of equity securities and loans to fund our operations. We expect that our future financial results will depend primarily on our success in launching, selling, and supporting our therapies and procedures using our NPS technology. We expect to expend significant resources on hiring of personnel, continued scientific and product research and development, potential product testing and preclinical and clinical investigation, intellectual property development and prosecution, capital expenditures, working capital, selling, general and administrative expenses, and fees and expenses associated with our capital raising efforts. We expect to incur costs and expenses related to consulting costs, laboratory development costs, hiring of scientists, engineers, sales representatives, and other operational personnel, and the continued development of relationships with potential partners. We are incurring significant operating losses, we expect to continue to incur additional losses for at least the next several years, and we cannot assure you that we will generate substantial revenue or be profitable in the future. We can give no assurances that our future products will be cleared or approved or become commercially viable or accepted for use. Even with commercially viable applications of our technology, which may include licensing, we may never recover our research and development expenses.

Investment in medical technology is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product will fail to demonstrate adequate efficacy or clinical utility. Investors should evaluate an investment in us in light of the uncertainties typically encountered by developing medical technology companies in a competitive environment. There can be no assurance that our efforts will be successful, either in cardiology or otherwise, or that we will ultimately be able to achieve profitability. Even if we achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable could adversely affect the market price of our common stock and could significantly impair our ability to raise capital, expand our business, or continue to implement our business plan.

We can give no assurance that our internal and external sources of liquidity will be sufficient for our cash requirements.

We must have sufficient sources of liquidity to fund our working capital requirements and execute on our strategic initiatives. Future new product launches or investments in other growth initiatives would likely demand increased working capital before any long-term return is realized from increased revenue. Our ability to achieve our business and cash flow plans is based on a number of assumptions which involve significant judgments and estimates of future performance, borrowing capacity and credit availability, and financing opportunities which cannot at all times be assured. There is no assurance that cash flows from operations and other internal and external sources of liquidity will at all times be sufficient for our cash requirements. If necessary, we may need to consider actions and steps to improve our cash position and mitigate any potential liquidity shortfall, such as modifying our business plans, pursuing additional financing to the extent available, reducing capital expenditures, suspending certain activities or programs, pursuing and evaluating other alternatives and opportunities to obtain additional sources of liquidity, and other potential actions to reduce costs. There can be no assurance that any of these actions would be successful, sufficient or available on favorable terms. Any inability to generate or obtain sufficient levels of liquidity to meet our cash requirements at the level and times needed could have a material adverse impact on our business, financial position or prospects.

If we are unable to obtain sufficient funding, we may be unable to execute our business plan and fund operations. We may not be able to obtain additional financing on commercially reasonable terms, or at all.

We have experienced operating losses and we expect to continue to incur operating losses for the next several years as we implement our business plan. Currently, we have limited revenue from operations and we do not have arrangements in place for all the anticipated financing that will likely be required to fully implement our business plan. Our prior losses, combined with expected future losses, have had, and will continue to have, for the foreseeable future, an adverse effect on our stockholders' equity and working capital.

We will need to raise additional capital in order to continue to execute our business plan. If we are unable to raise sufficient additional funds, we may need to scale back our future operations. Also, the ongoing armed conflicts in the Middle East, Ukraine, and elsewhere, as well as increasing tariffs on international trade, which have negatively impacted the global macroeconomic environment and capital markets, may make it more difficult for us to raise additional funds.

We cannot give any assurance that we will be able to obtain all the necessary funding that we may need. In addition, we believe that we will require additional capital in the future to fully develop and bring to market our technologies and planned products. We have pursued and may pursue additional funding through various financing sources, including the private sale of our equity securities, debt financings, licensing fees for our technology, joint ventures with capital partners, and project type financing. If we raise funds by issuing equity or equity-linked securities, dilution to some or all our stockholders would result. Any equity securities issued may also provide for rights, preferences or privileges senior to those of holders of our common stock. The terms of debt securities issued or borrowings could impose significant restrictions on our operations. We also may seek government-based financing, such as development and research grants. There can be no assurance that any such funds will be available on commercially reasonable terms, if at all.

Any future indebtedness could impose on us restrictive covenants, including further limitations on our ability to incur additional debt, limitations on our ability to issue additional equity, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely affect our ability to conduct our business. In addition, the issuance of additional equity securities by us, or the possibility of such issuance, may cause the market price of our common stock to decline. Also, in the event that we enter into collaborations or licensing arrangements to raise capital, we may be required to accept unfavorable terms. These agreements may require that we relinquish, or license to a third party on unfavorable terms, our rights to technologies or product candidates that we otherwise would seek to develop or commercialize ourselves or reserve certain opportunities for future potential arrangements when we might otherwise be able to achieve more favorable terms. In addition, we may be forced to work with a partner on one or more of our products or market development programs, which could lower the economic value of those programs to us.

If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, we may be required to, among other things, delay, scale back or eliminate some or all of our activities, reduce headcount, trim research and product development programs, discontinue clinical trials, stop all or some of our manufacturing operations, defer capital expenditures, deregister from being a publicly traded company and delist from Nasdaq, or license our potential products or technologies to third parties, possibly on terms that cannot sustain our current business, or curtail, suspend or discontinue our operations entirely. If any of these things were to occur, our ability to grow and support our business and to respond to market challenges could be significantly limited or we may be unable to continue operations, in which case you could lose your entire investment.

Because our business is not profitable, from time to time, we may undergo a reduction in force to reduce our operating expenses. However, any corporate restructuring or headcount reduction may not result in anticipated savings, could result in total costs and expenses and attrition that are greater than expected and could disrupt our business.

If we decide to reduce headcount to lower our operating expenses, we may not realize, in full or in part, the anticipated benefits, savings and improvements in our cost structure from such a restructuring because of unforeseen difficulties, delays or unexpected costs. If we are unable to realize the expected operational efficiencies and cost savings from such a restructuring, our operating results and financial condition would be adversely affected. Any restructuring activities would be disruptive to our operations and could result in material delays in our new product development programs. Also, any headcount reductions could yield unanticipated consequences, such as attrition beyond planned staff reductions, or increase difficulties in our day-to-day operations. Headcount reductions could also harm our ability to attract and retain qualified management, scientific, clinical, regulatory, manufacturing, engineering, and other personnel who are critical to our business. Any failure to attract or retain qualified personnel could prevent us from successfully developing and commercializing our new product candidates in the future.

Our revenue and future profitability are entirely dependent upon one family of products, the nPulse System, and one platform technology, Nano-pulse Stimulation.

Our revenue to date has been generated entirely from the nPulse System, which consists of a console, connectors and end-effectors, and these products and all our potential products under development are based upon the same patented platform technology, Nano-pulse Stimulation ("NPS"). Our future revenue is therefore dependent on the success of this platform technology and our single family of products under development, all of which reply on NPS energy for therapeutic effect. Reliance on a single family of products and single platform technology could negatively affect our results of operations and financial condition. Our ability to become profitable will depend upon the commercial success of these future products and platform technology.

In 2025 we began marketing the Vybrance Percutaneous Electrode System primarily to Otolaryngologists, Endocrine Surgeons, and Interventional Radiologists ("surgeons") who may be slow or fail to adopt our products or who may use our products in only a small percentage of their eligible patients for a variety of reasons, including but not limited to:

- lack of experience with our products;
- lack of adequate reimbursement of patient costs or lack of evidence showing that procedures using our devices are reimbursable by third party payers;
- lack of conviction regarding evidence supporting cost benefits or cost effectiveness of our products over existing alternatives;
- lack of clinical data showing longer-term patient benefits;
- the possible introduction of new technologies competitive to our products; and
- liability risks generally associated with the use of new products and procedures.

Moreover, our products, including our platform NPS technology, could be rendered obsolete or economically impractical by numerous factors, many of which are beyond our control, including but not limited to:

- entrance of new competitors into our markets;
- technological advancements of alternative technologies;
- loss of key relationships with suppliers, group purchasing organizations, or end-user customers;
- manufacturing or supply interruptions;
- product liability claims;
- trade tariffs;
- our reputation and product market acceptance;
- loss of existing regulatory approvals or the imposition of new requirements to maintain such approvals or to receive new approvals; and
- product recalls or safety alerts.

We may fail to meet our publicly announced guidance or other expectations about our business and future operating results, which could cause our stock price to decline.

The Company may, from time to time, provide financial guidance about its business and future operating results. In developing this guidance, the Company's management must make certain assumptions and judgments about its future operating performance, including but not limited to projected hiring of sales and marketing professionals, growth of revenue in the relevant device markets, increase or decrease of its market share, costs of production of its recently introduced products, and stability of the macro-economic environment in the Company's key markets. Furthermore, analysts and investors may develop and publish their own projections of the Company's business, which may form a consensus about the Company's anticipated future performance. However, the Company's business results may vary significantly from any such guidance or consensus due to a number of factors, many of which are outside of the Company's control, and which could adversely affect its operations and operating results. Furthermore, if the Company makes downward revisions of its own previously announced guidance, or if the Company's publicly announced guidance of future operating results fails to meet expectations of securities analysts, investors or other interested parties, the price of the Company's common stock could decline.

Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations; our product revenues are limited and our profit margins are uncertain.

Our quarterly and annual operating results, including future revenue and profit margins, may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control and may be difficult to predict, including:

- the timing and cost of, and level of investment in, research, development, and commercialization activities relating to our products and product candidates, which may change from time to time;
- the timing of receipt of approvals or clearances for our product candidates from regulatory authorities;
- the timing and status of enrollment for our clinical trials;
- coverage and reimbursement policies with respect to our product and product candidates, including the degree to which procedures using our products are covered and receive adequate reimbursement from third-party payors;
- the costs of manufacturing our products, as well as building out our supply chain, which may vary depending on the quantity of production and which will vary significantly depending upon the terms of our agreements with manufacturers;
- expenditures that we may incur to acquire, develop or commercialize additional product candidates and technologies;
- the level of demand for our products and any product candidates, if approved or cleared, which may vary significantly over time;
- litigation, including patent, employment, securities class action, stockholder derivative, general commercial, and other lawsuits;
- future accounting pronouncements or changes in our accounting policies; and
- the timing and success or failure of nonclinical studies and clinical trials for our product candidates or competing product candidates, or any other change in the competitive landscape of our industry, including consolidation among our competitors or partners.

Additionally, we may face pricing pressure that could reduce our revenues and margins, failure to achieve expected procedure volumes could adversely affect our revenue growth and gross margins, and our limited commercial history makes it difficult to forecast revenue growth. The cumulative effects of these factors could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Investors should not rely on our limited past results as an indication of our future performance.

This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met our publicly stated revenue or earnings guidance.

Because we operate in highly competitive markets, we can expect to face competition from large well-established manufacturers of medical technologies, devices and similar products; we may not be able to compete effectively against companies with significantly more resources.

The medical technology, medical device, biotechnology, and pharmaceutical industries are characterized by intense and dynamic competition to develop new technologies and proprietary therapies. We face competition from several sources, such as pharmaceutical companies, medical device companies, generic drug companies, biotechnology companies, and academic and research institutions. Notably, all our medical products and products under development are for applications that are constantly under pressure from intense competition from rapidly evolving companies and new scientific discoveries. We compete against well-established incumbent medical device companies that already offer a wide range of commercial products to cardiac surgeons, cardiologists, electrophysiologists, oncologists, interventional radiologists, and others, including products for minimally invasive procedures. For example, Abbott Laboratories, AtriCure, Inc., Boston Scientific Corporation, Johnson & Johnson (Biosense Webster), Medtronic plc, and several other companies all sell ablation-based surgical, minimally invasive, and catheter-based medical devices for the treatment of heart arrhythmias, including AF, as well as products for soft tissue ablation, which could be used to surgically ablate benign thyroid nodules ("BTNs"). Additionally, many of these companies are also actively developing or already have microsecond PFA (micro-PFA) products for the treatment of AF. All of these companies currently have greater financial, technical, research, and/or other resources than we do and have larger and more established manufacturing capabilities and marketing, sales, and support functions, as well as broader and deeper customer relationships.

We will find ourselves in competition with one or more of these companies, all of which may have competitive advantages over us, such as:

- significantly greater name recognition;
- established relationships with healthcare professionals, customers, and third-party payers;
- competitive products with greater efficacy or better safety profiles;
- established distribution networks;
- additional lines of products and the ability to offer rebates, higher discounts, or incentives to gain a competitive advantage;
- greater experience in obtaining patents and regulatory approvals for product candidates;
- greater experience conducting new product research and development, manufacturing medical devices, conducting clinical trials, obtaining regulatory approval for products, and marketing approved products; and
- greater financial and human resources for product development, sales and marketing.

Additionally, the market for the treatment of BTNs is characterized by competition from established surgical procedures and minimally invasive thermal therapies. We compete primarily against the traditional surgical standard of care, including thyroid lobectomy and total thyroidectomy, as well as providers of thermal ablation technologies, most notably radiofrequency ablation ("RFA") and microwave ablation ("MWA"). For example, thermal ablation companies such as STARMED (a subsidiary of TaeWoong Medical), Cambridge Medical, and Merit Medical Systems, Inc. all market RFA systems specifically designed for the treatment of thyroid nodules. These companies have longer histories in the market than we do, providing them with more established clinical track records, larger installed bases of equipment, and more mature sales and support functions. We will find ourselves in competition with the existing surgical standard of care as well as these companies, which may have competitive advantages over us, such as:

- the status of thyroidectomy and lobectomy as the standard of care with proven clinical outcomes and physician familiarity;
- more established clinical adoption within the endocrinology, otolaryngology, and general surgery communities;
- established referral patterns with surgeons, specialized thyroid clinics, and hospitals;
- extensive long-term clinical data and longitudinal studies supporting the efficacy and safety of surgical and thermal interventions; and
- fully established reimbursement pathways for surgical procedures and thermal ablation.

Our future success in this market will depend on our ability to differentiate our nPulse technology from these incumbent treatments. Until recently, surgery was the primary option for symptomatic BTNs, but the adoption of thermal modalities like RFA has begun to change the landscape. However, thermal ablation relies on heat to destroy tissue, which presents inherent risks of collateral damage to critical structures near the thyroid, such as the recurrent laryngeal nerve, trachea, esophagus, and the carotid artery. We seek to establish nPulse technology as a competitive alternative to both surgical intervention and thermal ablation. While our clinical data suggests that our minimally invasive nonthermal solution should eliminate the need for surgical or thermal interventions for many patients, research and development by others may render our technology obsolete or lead to the development of other minimally-invasive therapies that are superior to our own.

We may also face increased competition in the future as new companies enter our markets and as scientific developments surrounding electro-signaling therapeutics continue to accelerate. For example, until recently the standard of care in cardiac tissue ablation for the treatment of AF had been the use of thermal ablation modalities, primarily the use of radiofrequency ablation. But in the span of just a few years, Boston Scientific's FARAPULSE cardiac catheter system, Medtronic's Pulse Select system, and other PFA systems using micro-PFA technology have dramatically changed the competitive landscape for the endocardial treatment of AF. These micro-PFA devices already account for over half of all EP procedures in the United States, and the speed of technological development in electrophysiology has been remarkable. While we will seek to expand our technological capabilities to remain competitive, and even though our clinical data suggests that nsPFA should have competitive advantages over micro-PFA technologies, such as deeper and more efficient ablations, research and development by others may render our technology or product candidates obsolete or noncompetitive or result in treatments or cures superior to any therapy developed by us.

We may rely on third parties for our sales, marketing, manufacturing, and/or distribution activities, and these third parties may not perform satisfactorily.

To be able to commercialize our products and planned products, we may elect to internally develop aspects of sales, marketing, large-scale manufacturing, or distribution, or we may elect to use third parties with respect to one or more of these functions. Our reliance on these third parties may reduce our control over these functions; however, reliance on third parties does not relieve us of our responsibility to ensure compliance with all required legal, regulatory, and scientific standards. Any failure of these third parties to perform satisfactorily and in compliance with relevant laws and regulations could lead to delays in the development of our products or planned products, including delays in our clinical trials, or failure to obtain necessary regulatory approvals, or failure to successfully commercialize our products or other future products. Some of these events could be the basis for FDA or other regulatory action, including injunction, recall, seizure, or total or partial suspension of production.

We believe that developing the commercialization aspects of a company will take a substantial amount of capital and commitment of time and effort. We may seek development and marketing partners and license our technology to others in order to avoid our having to provide the marketing, manufacturing, and distribution capabilities within our organization. There can be no assurance that we will find any development and marketing partners or companies that are interested in licensing our technology, however. If we are unable to establish and maintain adequate sales, marketing, manufacturing, and distribution capabilities, independently or with others, we will not be able to generate product revenue and may not become profitable.

If we lose key management personnel, our ability to identify, develop and commercialize new or next generation product candidates will be impaired, could result in loss of markets or market share and could make us less competitive.

We are highly dependent upon the principal members of our management team, including our Chief Executive Officer, Paul LaViolette, our Chief Financial Officer, Jon Skinner, our Chief Commercial Officer, Kevin Danahy, and our Chief Technology Officer, Darrin Uecker, and members of our scientific and engineering teams. These persons have significant experience and knowledge with sub-microsecond pulsed electric fields and more broadly in life sciences and medical technologies. The loss of any team member could impair our ability to design, identify, and develop new intellectual property and new scientific or product ideas. The loss of any key employee, the failure of any key employee to perform in their current position, or our inability to attract and retain skilled employees could result in our inability to continue to grow our business or to implement our business strategy. We compete for qualified management and scientific personnel with other life science companies, academic institutions, and research institutions. Our employees could leave our Company with little or no prior notice. They are free to work for a competitor. If one or more of our senior executives or other key personnel were unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, and other senior management may be required to divert attention from other aspects of the business. In addition, we do not have "key person" life insurance policies covering any member of our management team or other key personnel. The loss of any of these individuals or any inability to attract or retain qualified personnel, including scientists, engineers, and others, could prevent us from pursuing collaborations and materially and adversely affect our product development and commercialization efforts, business growth prospects, results of operations, and financial condition.

There is a limited talent pool of experienced professionals in our industry. If we are not able to retain and recruit personnel with the requisite technical skills, we may be unable to successfully execute our business strategy.

The specialized nature of our industry results in an inherent scarcity of experienced personnel in the field. Our future success depends upon our ability to attract and retain highly skilled personnel, including scientific, technical, commercial, business, regulatory, and administrative personnel, necessary to support our anticipated growth, develop our business and successfully commercialize our NPS products. Given the scarcity of professionals with the scientific knowledge we require and the intense competition that exists for qualified personnel among life science businesses, we may not succeed in attracting or retaining the personnel we require to continue or grow our operations.

We have had limited experience selling the nPulse System.

Successfully commercializing medical devices such as ours is a complex and uncertain process. We began marketing and selling the nPulse System in the United States, Canada, and certain limited European markets in late 2021 to dermatologists through a limited direct sales force. In January 2022, we established an operating company in the Netherlands to further enhance our operations in Europe. However, in 2022 and 2023, we eliminated all of our full-time sales and marketing positions and, as of December 31, 2025, we had no international sales force and very few employees in the Unites States with sales and marketing experience. We have only just recently begun to market and sell our Vybrance Percutaneous Electrode System. We therefore have had limited experience marketing and selling the nPulse System and our revenue and cash flows have been limited, volatile and difficult to predict.

We intend to hire and train a very limited number of sales representatives and clinical specialists with backgrounds and experience in the relevant markets, especially those familiar with energy-based therapies and who have existing relationships with electrophysiologists, otolaryngologists, endocrine surgeons, interventional radiologists, and cardiothoracic surgeons. However, we expect that our sales force will require lead time in the field to grow their network of accounts and achieve the productivity levels we expect them to reach in any individual territory.

While few in number, we expect our direct sales representatives to develop long-lasting relationships with the surgeons they serve. Furthermore, the use of our NPS products will often require or benefit from direct support from us. Our future success will depend on our ability to continue to hire, train, retain, and motivate skilled direct sales representatives with significant technical knowledge in various areas, such as cardiology, minimally invasive surgery, and ablation technologies. New hires require training and take time to achieve full productivity. If we fail to train new hires adequately, or if we experience high turnover in our sales force in the future, we cannot be certain that new hires will become as productive as may be necessary to maintain or increase our sales. Also, if our direct sales representatives or third-party distributors fail to adequately promote, market and sell our products or decide to leave or cease to do business with us, our sales could significantly decrease or grow at a rate too slowly to become profitable. In addition, our future sales will depend on our ability to increase our marketing efforts and adequately address our customers' needs. If we are unable to adequately address our customers' needs, we may not generate sufficient revenue to become profitable. If we are unable to expand our sales and marketing capabilities domestically and internationally, we may not be able to effectively commercialize our products, which would adversely affect our business, results of operations, and financial condition.

Rapidly changing technology in life sciences could make the products we are developing obsolete.

The life sciences industries are characterized by rapid and significant technological changes, frequent new product introductions and enhancements, and evolving industry standards. Our future success will depend on our ability to continually develop and then improve the products that we design and to develop and introduce new products that address the evolving needs of our customers on a timely and cost-effective basis. Also, we will need to pursue new market opportunities that develop as a result of technological and scientific advances. These new market opportunities may be outside the scope of our proven expertise or in areas which have unproven market demand. Any new products developed by us may not be accepted in their intended markets. Our inability to gain market acceptance of new products could harm our future operating results.

If we are unable to manage the anticipated growth of our business, our future revenue and operating results may be harmed.

Recent and future growth imposes significant added responsibilities on management, including the need to identify, recruit, train, and integrate additional employees. Rapid expansion of our workforce could result in less experienced people carrying out important activities at our Company, which could result in inefficiencies and unanticipated costs, reduced quality, and disruptions to our operations. In addition, rapid and significant growth may strain our administrative and operational infrastructure, and the failure to continue to upgrade our technical, administrative, operating, and financial control systems, or the occurrence of other unexpected expansion difficulties, could have a material adverse effect on our business, financial condition and results of operations, and our ability to timely execute our business plan. Our ability to manage our growth properly will require us to continue to improve our operational, financial and management controls, as well as our reporting systems and procedures. We may implement new enterprise software systems in a number of areas affecting a broad range of business processes and functional areas. The time and resources required to implement these new systems is uncertain and failure to complete this in a timely and efficient manner could harm our business. We cannot guarantee that any of the personnel, systems, procedures, and controls we put in place will be adequate to support the manufacture and distribution of our products. If we are unable to manage our growth effectively, it may be difficult for us to execute our business strategy and our business could be harmed.

We must successfully educate and train surgeons and their staff on the proper use of the nPulse System; if our customers do not adopt our technology into their medical practices, or adopt our technology slower than expected, our business could suffer.

Although many surgeons may have adequate knowledge on how to use our novel nPulse System based on their clinical training and experience, we believe that the most effective way to introduce and build market demand for our products is by directly training surgeons and other physicians in the use of our products. Convincing them to dedicate the time and energy necessary for adequate training is challenging, and we cannot assure you that we will succeed in these efforts. If surgeons and other physicians are not properly trained, they may not use our products and, as a result, we may not maintain or grow our sales or achieve or sustain profitability. If surgeons and other physicians are not properly trained, they may also misuse or ineffectively use our products, which may result in unsatisfactory patient outcomes, patient injury, negative publicity, or lawsuits against us, any of which could have a significant adverse effect on our business, financial condition and results of operations.

Additionally, our strategy includes educating key opinion leaders in the industry. If these key opinion leaders determine that alternative technologies are more effective or that the benefits offered by our products are not sufficient to justify their cost, or if we encounter difficulty promoting adoption or establishing these systems as a standard of care, our ability to achieve market acceptance of the products we introduce could be significantly limited and our business could suffer.

We may encounter manufacturing problems or delays that could result in lost revenue or slower than anticipated product development. Additionally, we currently rely on third-party suppliers for critical components needed to manufacture the nPulse System and related applicators. Any problems experienced by these suppliers could result in a delay or interruption of their supply to us and, as a result, we may face delays in the development and commercialization of products.

We currently rely upon third-party suppliers to manufacture and supply components for the nPulse System and for our products under development. We perform final assembly of our nPulse Console and other devices at our facility in California. The manufacture of the nPulse components in compliance with the FDA's regulations requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of medical device products often encounter difficulties in production, including difficulties with production costs and yields, quality control, quality assurance testing, shortages of qualified personnel, as well as compliance with applicable regulations, both foreign and domestic.

We do not control the manufacturing process of, and are completely dependent on, our contract manufacturing partners for their own compliance with applicable regulatory requirements, and if our contract manufacturers cannot successfully manufacture the components needed for our products and products under development in a manner that conforms to our specifications and these strict regulatory requirements, we may not be able to rely on their manufacturing facilities in the future. In addition, we have limited control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a comparable foreign regulatory authority finds these facilities inadequate for the manufacture of our components or if such facilities are subject to enforcement action in the future or are otherwise inadequate with respect to complying with applicable regulatory requirements, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop and market our product or to obtain regulatory approval or clearance for our product candidates.

We currently purchase components for our products under purchase orders and do not have long-term contracts with most of the suppliers of these materials. If suppliers were to delay or stop producing our components, or if the prices they charge us were to increase significantly, or if they elected not to sell to us, we would need to identify other suppliers and we may not be able to secure alternative suppliers on favorable terms, or at all. Any failure of these suppliers to perform satisfactorily could adversely impact our business and results of operations and we may experience delays in manufacturing of our devices while finding another acceptable supplier.

We may not become commercially viable if our ultimate commercialized products or related treatments fail to obtain an adequate level of reimbursement by Medicare and other third-party payers.

We believe that the commercial viability of the nPulse System and any potential devices and products and related treatments, and therefore our commercial success as a company, may be affected by the availability of government reimbursement and medical insurance coverage and reimbursement for newly approved medical therapies, technologies, and devices. Insurance coverage and reimbursement are not assured. It typically takes a period of use in the marketplace before coverage and reimbursement are granted, if it is granted at all. In the United States and in many other jurisdictions, surgeons and other physicians and other healthcare providers generally rely on insurance coverage and reimbursement for their revenue, therefore this is an important factor in the overall commercialization plans of any proposed product and whether it will be accepted for use in the marketplace. Without insurance coverage and reimbursement for our planned products, we would expect to earn only limited revenue, if any revenue is earned.

Medicare, Medicaid, health maintenance organizations, and other third-party payers are increasingly attempting to contain healthcare costs by limiting both the scope of coverage and the level of reimbursement of new medical technologies and products. As a result, they may not cover or provide adequate payment for the use of the nPulse Vybrance Percutaneous Electrode System or any of our other products or products in development. In order to obtain satisfactory reimbursement arrangements, we may have to agree to reduce our fee or sales price below what we currently expect to charge customers, which could adversely affect our profit margins. Moreover, each plan may separately require us to provide scientific and clinical support for the use of our products and, as a result, the coverage determination process is often a time-consuming and costly process with no assurance that coverage and adequate reimbursement will be applied consistently or obtained at all. Even if Medicare and other third-party payers decide to cover procedures involving the nPulse System and our proposed devices and products, we cannot be certain that the reimbursement levels will be adequate. Accordingly, even if these products are approved for commercial sale, unless government and other third-party payers provide adequate coverage and reimbursement for our devices and products, some surgeons and other physicians may be discouraged from using them, and our sales would suffer.

Medicare reimburses for medical technologies and products in a variety of ways, depending on where and how the item is used. However, Medicare only provides reimbursement if CMS determines that the item should be covered and that the use of the device or product is consistent with the coverage criteria. A coverage determination can be made at the local level by the Medicare administrative contractor, a private contractor that processes and pays claims on behalf of CMS for the geographic area where the services were rendered, or at the national level by CMS through a national coverage determination. There are statutory provisions intended to facilitate coverage determinations for new technologies, but it is unclear how these provisions might apply to the nPulse Vybrance Percutaneous Electrode System or to any of our proposed devices and products, as they are still largely in the development stages. Coverage presupposes that the technology, device, or product has been cleared or approved by the FDA and further, that the coverage will be consistent with the approved intended uses of the device or product as approved or cleared by the FDA, but coverage can be narrower. A coverage determination may be so limited that relatively few patients will qualify for a covered use of a device or product.

Obtaining a coverage determination, whether local or national, is a time-consuming, expensive and highly uncertain proposition, especially for a new technology, and inconsistent local determinations are possible. On average, Medicare coverage determinations for medical devices and products lag behind FDA approval or clearance. The Medicare statutory framework is also subject to administrative rulings, interpretations and discretion that affect the amount and timing of reimbursement made under Medicare. Medicaid coverage determinations and reimbursement levels are determined on a state-by-state basis, because Medicaid, unlike Medicare, is administered by the states under a state plan filed with the Secretary of the U.S. Department of Health and Human Services ("HHS"). Medicaid generally reimburses at lower levels than Medicare. Moreover, Medicaid programs and private insurers are frequently influenced by Medicare coverage determinations.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited.

We have incurred net losses since our inception and anticipate that we may continue to incur significant losses for the foreseeable future. If not utilized, some of our federal and state net operating losses ("NOLs") carryforwards will begin to expire in various years beginning after 2034. Under the Internal Revenue Code of 1986, as amended, or the Code, and certain similar state tax provisions, we are generally allowed to carry forward our NOLs from a prior taxable year to offset our future taxable income, if any, until such NOLs are used or expire, subject to certain limitations. The same is true of other unused tax attributes, such as tax credits.

In addition, under Section 382 of the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change NOLs to offset future taxable income. We believe that we have had one or more ownership changes prior to 2018, but recently performed a Section 382 study to analyze fiscal years 2018 through 2024, and we do not believe that we have had any additional ownership changes over that period. Possible future changes in our stock ownership could result in limitations.

We have a substantial amount of goodwill and intangible assets which over time may have to be written down as we make the required periodic assessments as to their value as reflected in our financial statements.

A portion of our total assets are comprised of goodwill and intangibles that arose from our 2014 business acquisitions. We review goodwill for impairment at least annually or whenever changes in circumstances indicate that the carrying value of the goodwill may not be recoverable. We also review our intangible assets for impairment at each fiscal year end or when events or changes in circumstances indicate the carrying value of these assets may exceed their current fair values. If we take an impairment charge for either goodwill or intangible assets, the overall assets will be reduced. Such an impairment charge may result in a change in the perceived value of the Company and ultimately may be reflected as a reduction in the market price of our securities. Additionally, an impairment charge may also adversely influence our ability to raise capital in the future.

Risks Related to Product Development and Product-Related Risks

Our nPulse System and any future product candidates may cause serious adverse side effects or have other properties that could delay or prevent their regulatory approval, limit their commercial desirability or result in significant negative consequences.

The risk of failure of clinical development is high. For example, the vast majority of our in vivo data has been a result of animal testing outside of cardiac animal models, and we have only completed a limited number of feasibility studies in humans. Undesirable side effects caused by the nPulse System, NPS pulses, or any of our planned future products could cause us, any partners of ours, or regulatory authorities to interrupt, delay or halt clinical trials or to revoke previously granted regulatory approvals. Undesirable side effects could also result in more restrictive labeling requirements or the delay or denial of regulatory approval of planned future products by the FDA or other comparable foreign regulatory authority.

Additionally, if we or others identify undesirable side effects caused by the nPulse System, a number of potentially significant negative consequences could result, including:

- we may be forced to recall such product and suspend the marketing of such product;
- regulatory authorities may withdraw their approvals of such product;
- regulatory authorities may require additional warnings on the label and/or narrow the indication of use for the product which could diminish the usage or otherwise limit the commercial success of such product;
- the FDA or other regulatory authorities may issue safety alerts, "Dear Healthcare Provider" letters, press releases, or other communications containing warnings about such product;
- the FDA may restrict distribution of our product and impose burdensome implementation requirements on us;
- we may be required to change the way the product is administered or conduct additional clinical trials;
- we could be sued and held liable for harm caused to subjects or patients; and
- our reputation could suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the nPulse System or of any future particular planned product, if approved.

Clinical development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure or delay can occur at any time during the clinical trial process. For example, success in nonclinical studies and early feasibility clinical studies does not ensure that the expanded clinical trials needed to support regulatory submissions will be successful. Setbacks can be caused by, among other things, nonclinical findings made while clinical trials are underway, safety or efficacy observations made in clinical trials, including previously unreported adverse events, or post-approval observations. Even if our clinical trials are completed, the results may not be sufficient to obtain regulatory approval or clearance for our product candidates or to expand the existing approvals or clearances for our existing products. To date, we have had only limited clinical experience treating AF with our nPulse Cardiac Catheter and our nPulse Cardiac Surgery Clamp and only limited clinical and commercial experience treating benign thyroid nodules with our Vybrance Percutaneous Electrode System; our past successes in dermatology may not translate into similar results in cardiology or in any other medical field.

Our long-term growth depends on our ability to develop marketable products to treat AF, tumors and nodules through our research and development efforts, and if we fail to do so we may be unable to compete effectively or we may decide to scale back or eliminate some or all of our activities or otherwise curtail, suspend or discontinue our operations entirely.

The medical device industry is characterized by intense competition, rapid technological changes, new product introductions and enhancements, and evolving industry standards. Our business prospects depend on our ability to develop new products and applications for our NPS technology, including in new markets that develop as a result of technological and scientific advances. New technologies, techniques or products could emerge that might offer better combinations of price and performance than our products. It is important that we anticipate changes in technology and market demand, as well as physician, hospital, and healthcare provider practices to successfully develop, obtain clearance or approval, if required, and successfully introduce new, enhanced and competitive technologies to meet our prospective customers' needs on a timely and cost-effective basis.

If we do not develop and obtain regulatory clearances or approvals for new products or product enhancements in time to meet market demand, or if there is insufficient demand for these products or enhancements, our results of operations will suffer. Our research and development efforts may require a substantial investment of time and resources before we are adequately able to determine the commercial viability of a new product, technology, material, or other innovation. In addition, even if we are able to develop enhancements or new generations of our products successfully, these enhancements or new generations of products may not produce sales in excess of the costs of development and they may be quickly rendered obsolete by changing customer preferences or the introduction by our competitors of products embodying new technologies or features.

Moreover, if our technology cannot be used to successfully treat AF, tumors and nodules, we may decide to, among other things, delay, scale back or eliminate some or all of our activities, reduce headcount, trim research and product development programs, discontinue clinical trials, stop all or some of our manufacturing operations, defer capital expenditures, deregister from being a publicly traded company and delist from Nasdaq, or license our products, potential products or technologies to third parties, possibly on terms that cannot sustain our current business, or curtail, suspend or discontinue our operations entirely.

Interim "top-line" and preliminary results from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publish interim top-line or preliminary results from our clinical trials. Interim results from clinical trials that we may announce are subject to the risk that one or more of the clinical outcomes may materially change as more follow-up data are gathered, patient enrollment continues and more patient data become available. Preliminary or top-line results, including our preliminary data from our feasibility thyroid nodule study, our first-in-human cardiac clamp study, and our first-in-human cardiac catheter study, also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published or announced. As a result, interim and preliminary data should be viewed with caution until the final data are available. Differences between preliminary or interim data and final data could significantly harm our business prospects and may cause the trading price of our common stock to fluctuate significantly.

If we fail to maintain necessary regulatory clearance for our products, or if clearances or approvals for future devices and indications are delayed or not issued, the commercial prospects for our nPulse System and other NPS technologies would be harmed.

Our product candidates under development are medical devices that are subject to extensive regulation by the FDA in the United States and by regulatory agencies in other countries where we do business. Government regulations specific to medical devices are wide-ranging and govern, among other things:

- device design, development and manufacture;
- laboratory, preclinical and clinical testing, labeling, packaging, and storage;
- premarketing clearance or approval;
- record keeping;
- device marketing, promotion and advertising, sales and distribution; and
- post-marketing surveillance, including reporting of deaths and serious injuries and recalls and correction and removals.

Before a new medical device, or a new intended use for an existing device, can be marketed in the United States, the device's manufacturer must first submit and receive either 510(k) clearance or Premarket Approval ("PMA") from the FDA, unless an exemption applies. In the 510(k)-clearance process, the FDA will determine that a proposed device is "substantially equivalent" to a device legally on the market, known as a "predicate" device, with respect to intended use, technology and safety and effectiveness, in order to clear the proposed device for marketing. Clinical data is sometimes required to support substantial equivalence. The PMA pathway requires an applicant to demonstrate reasonable safety and effectiveness of the device based on extensive data, including, but not limited to, technical, preclinical, clinical trial, manufacturing, and labeling data. The PMA process is typically required for devices that are deemed to pose the greatest risk, such as life-sustaining, life-supporting, or implantable devices. Products that are approved through a PMA application generally need FDA approval before they can be modified. Similarly, some modifications made to products cleared through a 510(k) may require a new 510(k). Either process can be expensive, lengthy and unpredictable.

The FDA may not approve or clear our 510(k), de novo, or PMA applications on a timely basis or at all. Such delays or refusals could have a material adverse effect on our business operations and financial condition. The FDA may also change its clearance and approval policies, adopt additional regulations or revise existing regulations, or take other action which may prevent or delay approval or clearance of our products under development. Any of these actions could have a material adverse effect on our business operations and financial condition.

The FDA and the U.S. Federal Trade Commission ("FTC") also regulate the advertising and promotion of our devices to ensure that the claims we make are consistent with our regulatory clearances or approvals, that there are adequate and reasonable data to substantiate the claims and that our promotional labeling and advertising is neither false nor misleading in any respect. If the FDA or the FTC determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including FDA warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions.

The FDA and state authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA or state agencies, which may include any of the following sanctions, among others:

- adverse publicity, warning letters, fines, injunctions, consent decrees, and civil penalties;
- obligations to repair, replace, refund, or recall our marketed devices, or government seizure of them;
- operating restrictions, partial suspension, or total shutdown of production;
- refusing our requests for 510(k) clearance or premarket approval of new devices, new intended uses or modifications to existing devices;
- withdrawing 510(k) clearance or premarket approvals that have already been granted; and
- criminal prosecution.

If any of these events were to occur, our business and financial condition would be harmed.

The mechanism of action of our NPS technology platform has not been fully determined or validated.

The exact mechanism(s) of action(s) of our NPS technology platform, including nsPFA, is not fully understood, and data are still being gathered regarding its use. Furthermore, there are only a relatively small number of scientists and researchers who can be considered experts in the use of this emerging technology. Insofar as potential regulators, partners or investors value a clear understanding of a technology's mechanism of action, this limitation could make it more challenging for us to obtain requisite regulatory approvals, investments or a partnership on favorable terms as a result.

We may find it difficult to enroll patients in our clinical trials. If we cannot enroll a sufficient number of eligible patients to participate in our clinical trials, we may not be able to initiate or continue them, which could delay or prevent development of our product candidates.

Identifying and qualifying patients to participate in clinical trials of our product candidates is critical to our success. The timing of our clinical trials depends on the speed at which we can recruit patients to participate in testing our product candidates as well as completion of required follow-up periods. In general, if patients are unwilling to participate in our trials because of negative publicity from adverse events in the health care industry or for other reasons, including competitive clinical trials for similar patient populations, the timeline for recruiting patients, conducting trials and obtaining regulatory approval or clearance of planned products may be delayed. If there are delays in accumulating the required patients and patient data, there may be delays in completing the trial. Further, if any of our clinical trial sites fail to comply with required good clinical practices, we may be unable to use the data gathered at those sites. Also, if our clinical investigators fail to carry out their contractual duties or regulatory obligations or fail to meet expected deadlines, or if the quality or accuracy of the clinical data they obtain is compromised due to their failure to adhere to our clinical protocols or for other reasons, our clinical trials may be delayed, suspended, or terminated. These delays could result in increased costs, delays in advancing our product development, delays in testing the effectiveness of our technology or termination of the clinical trials altogether, and delays in obtaining regulatory authorization for our products.

Laboratory conditions differ from commercial conditions and field conditions, and the safety and effectiveness of our product candidates may depend on the technique of the user.

Observations and developments that may be achievable under laboratory circumstances may not be replicable in broader research and development phases, in commercial settings, or in the use of any of any product or product candidates in the field. Furthermore, our NPS technologies will be administered by healthcare professionals and will require a degree of training and practice to administer correctly. Treatment results achieved in the laboratory or in clinical trials conducted by us or by other investigators may not be representative of the results actually encountered during commercial use of our products due to variability in administration technique. Moreover, the training and skills of investigators in our clinical trials may not be representative of the training and skills of future product users, which could negatively affect treatment results and the reputation of the Company or its products. In addition, there may be a selection bias in the patients and/or sites of administration chosen for any clinical trials that would positively affect treatment results that may not be representative or predictive of real-world experience with our products, including the nPulse System.

Issues with our firmware and software may negatively affect the function of our devices.

The safety and effectiveness of nsPFA procedures and therapies may depend, in part, on the function of firmware run by the microprocessors embedded in the device and associated software. This firmware and software is proprietary to us. While we have made efforts to test the firmware and software extensively, both are potentially subject to malfunction which in turn may harm patients. Further, our proprietary firmware and software may be vulnerable to physical break-ins, hackers, improper employee or contractor access, computer viruses, programming errors, data breaches, or similar problems. Any of these might result in harm to patients or the unauthorized release of confidential medical, business or other information belonging to us or to other persons.

Risks Related to Intellectual Property, Cybersecurity, Data Privacy, & Litigation

If we are unable to protect our intellectual property, then our financial condition, results of operations and the value of our technology and products could be adversely affected.

Patents and other proprietary rights are essential to our business and our ability to compete effectively with other companies is dependent upon the proprietary nature of our technologies. Similarly, our future success partnering our NPS technologies, including our nPulse System, will depend greatly on the perceived strength and reach of the patents protecting those technologies against unlicensed competitors. We also rely upon trade secrets, know-how, continuing technological innovations, and licensing opportunities to develop, maintain and strengthen our competitive position. We seek to protect these, in part, through confidentiality agreements with employees, consultants and other parties. Our success will depend in part on the ability of our licensors and us to obtain, to maintain (including making periodic filings and payments) and to enforce patent protection for the licensed intellectual property, in particular, those patents to which we have secured rights. We may not successfully prosecute or continue to prosecute the patent applications which we have licensed. Even if patents are issued in respect of these patent applications, we may fail to maintain these patents or may determine not to pursue litigation against entities that are infringing upon these patents. Without adequate protection for the intellectual property that we own or license, other companies might be able to offer substantially identical products for sale, which could unfavorably affect our competitive business position and harm our business prospects. Even if issued, patents may be challenged, invalidated, or circumvented, which could limit our ability to stop competitors from marketing similar products or limit the length of term of patent protection that we may have for our products.

Litigation or third-party claims of intellectual property infringement or challenges to the validity of our patents would require us to use resources to protect our technology and may prevent or delay our development, regulatory approval or commercialization of our product candidates.

If we are the target of claims by any third party asserting that our products or intellectual property infringe upon the rights of others, we may be forced to incur substantial expenses or divert substantial employee resources from our business. If successful, such claims could result in our having to pay substantial damages or could prevent us from developing one or more products or product candidates. Further, if a patent infringement suit were brought against us or our collaborators, we or they could be forced to stop or delay research, development, manufacturing, or sales of the product or product candidate that is the subject of the suit.

If we, or our collaborators, experience patent infringement claims, or if we elect to avoid potential claims others may be able to assert, we or our collaborators may choose to seek, or be required to seek, a license from the third party and would most likely be required to pay license fees or royalties or both. These licenses may not be available on acceptable terms, or at all. Even if we or our collaborators were able to obtain a license, the rights may be nonexclusive, which would give our competitors access to the same intellectual property. Ultimately, we could be prevented from commercializing a product, or be forced to cease some aspect of our business operations if, as a result of actual or threatened patent infringement claims, we or our collaborators are unable to enter into licenses on acceptable terms. This could harm our business significantly. The cost to us of any litigation or other proceeding, regardless of its merit, even if resolved in our favor, could be substantial. Some of our competitors may be able to bear the costs of such litigation or proceedings more effectively than we can because of their having greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Intellectual property litigation and other proceedings may, regardless of their merit, also absorb significant management time and employee resources.

Our intellectual property rights will not necessarily provide us with competitive advantages.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us or our future commercial partners to maintain a competitive advantage. The following examples are illustrative:

- others may be able to make products that are similar to our product candidates but that are not covered by the claims of the patents that we own or have exclusively licensed;
- others may independently develop similar or alternative technologies without infringing on our intellectual property rights;
- issued patents that we own or have exclusively licensed may not provide us with any competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- we may obtain patents for certain products many years before we obtain marketing approval for products utilizing such patents, and because patents have a limited life, which may begin to run prior to the commercial sale of the related product, the commercial value of our patents may be limited;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may fail to develop additional proprietary technologies that are patentable;
- the laws of certain foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States, or we may fail to apply for or obtain adequate intellectual property protection in all the jurisdictions in which we operate; and
- the patents of others may have an adverse effect on our business, for example by preventing us from marketing one or more of our product candidates for one or more indications.

Any of the aforementioned threats to our competitive advantage could harm our business.

If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology and products could be adversely affected.

In addition to patented technology, we rely upon, among other things, unpatented proprietary technology, processes, trade secrets, and know-how. Any involuntary disclosure to, or misappropriation by, third parties of our confidential or proprietary information could enable competitors to duplicate or surpass our technological achievements, potentially eroding our competitive position in our market. We seek to protect confidential and proprietary information in part by confidentiality agreements with our employees, consultants and third parties. While we require, as a matter of company policy, that all of our employees, consultants, advisors, and any third parties who have access to our proprietary know-how, information or technology to enter into confidentiality agreements, we cannot be certain that this know-how, information and technology will not be improperly disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. These confidentiality agreements may be terminated or breached, and we may not have adequate remedies for any such termination or breach. Furthermore, these agreements may not provide meaningful protection for our trade secrets and know-how in the event of unauthorized use or disclosure.

If we are unable to protect the intellectual property used in our products, others may be able to copy our innovations which may impair our ability to compete effectively in our markets.

Evaluating the strength and enforceability of our patents involves complex legal and scientific questions and can be uncertain. Both our patents and patent applications can be challenged by third parties, and our patent applications may fail to result in issued patents. Moreover, both our existing and future patents may be too narrow to prevent third parties from developing or designing around our intellectual property and, in that event, we may lose competitive advantage and our business may suffer.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our current or future product candidates, if any, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

If our information technology systems or data, or those of third parties upon whom we rely, are or were compromised, we could experience adverse consequences resulting from such compromise, including, but not limited to, regulatory investigations and actions; litigation (including class claims); fines and penalties; a disruption of our business operations such as our clinical trials; reputational harm; loss of revenue and profits; and other adverse consequences.

We depend on our information technology systems for the efficient functioning of our business, including the manufacture, distribution and maintenance of our products, as well as for accounting, data storage, compliance, purchasing, inventory management, and other related functions. We do not have redundant information technology in all aspects of our systems at this time. Despite the implementation of security and back-up measures, our information technology systems as well as those of our third-party partners, consultants, contractors, suppliers, and service providers, may be vulnerable to attack, damage and interruption from physical or electronic break-ins, accidental or intentional exposure of our data by employees or others with authorized access to our networks, computer viruses, malware, ransomware, malicious code, phishing attacks and other social engineering schemes, denial or degradation of service attacks, attacks by sophisticated nation-state and nation-state-supported actors, supply chain attacks, natural disasters, terrorism, war, telecommunication and electrical failure, denial of service, and other cyberattacks or disruptive incidents that could result in unauthorized access to, use or disclosure of, corruption of, or loss of sensitive, and/or proprietary data, including health-related and other personal information.

In the ordinary course of our business, we (and third parties upon whom we rely) may collect, receive, store, use, transfer, make accessible, protect, secure, dispose of, transmit, disclose or otherwise process proprietary, confidential and sensitive information, including personal data, such as health-related data and participant study related data, intellectual property, and trade secrets (collectively, “sensitive data”). We may share or receive sensitive data with or from third parties whose information security measures may not be adequate. In particular, the COVID-19 pandemic caused us to modify our information technology practices, such as by allowing most of our employees to work remotely, on a full-time basis or from time to time, which increases the risk of data breaches. Additionally, the prevalent use of mobile devices that access our sensitive data increases the risk of data breaches.

While we do not believe that we have experienced any significant system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our business operations, whether due to a loss, corruption or unauthorized disclosure of our trade secrets, personal information or other proprietary or sensitive information or other similar disruptions. The costs to us to attempt to protect against such breaches can be significant and could potentially require us to modify our business, including non-clinical and clinical trial activities. While we have implemented security measures designed to protect our information technology systems and to identify and remediate potential vulnerabilities, such measures may not be successful. We may not be able to detect vulnerabilities in our information technology systems because such threats and techniques used by threat actors change frequently are sophisticated in nature and may not be detected until after a security incident has occurred.

If we, or others upon whom we rely, experience or are perceived to have experienced a breach, we may experience adverse consequences. These consequences may include: government enforcement actions (for example, investigations, fines, penalties, audits and inspections), interruptions in our operations (including disruptions to our clinical trials), interruptions or restrictions on processing sensitive data (which could result in delays in obtaining, or our inability to obtain, regulatory approvals and significantly increase our costs to recover or reproduce the sensitive data), unauthorized, unlawful or accidental loss, corruption, access, modification, destruction, alteration, acquisition or disclosure of sensitive data, such as clinical trial data, reputational harm, litigation (including class-action claims), indemnification obligations, monetary fund diversions, financial loss and other harms. In particular, ransomware attacks are becoming increasingly prevalent and severe and can lead to significant disruptions to operations, loss of data and income, reputational harm and diversion of funds. Additionally, theft of our intellectual property or proprietary business information could require substantial expenditures to remedy. Such theft could also lead to loss of intellectual property rights through disclosure of our proprietary business information, and such loss may not be capable of remedying. In addition, such a breach may require notification of the breach to relevant stakeholders. Such disclosures are costly and the disclosure or the failure to comply with such requirements could lead to adverse consequences. We maintain cyber liability insurance; however, this insurance may not be sufficient to cover the financial, legal, business or reputational losses that may result from an interruption or breach of our systems.

Implementation of artificial intelligence and machine learning technologies may result in legal and regulatory risks, reputational harm, or other adverse consequences to our business.

We have incorporated, and continue to explore ways to further incorporate, artificial intelligence ("AI") technologies, including generative AI and machine learning, into certain of our internal operations. AI tools are complex and rapidly evolving and may prove flawed, incomplete, biased, or inaccurate in their outputs, which could adversely affect business decisions, expose us to legal claims, and harm our reputation; additionally, employees using AI tools could inadvertently disclose Company confidential information or trade secrets. Also, as a small company with limited resources, we may be unable to access or deploy the most advanced AI tools available, potentially placing us at a competitive disadvantage relative to better-resourced competitors. Moreover, the regulatory landscape governing AI use is subject to rapid and ongoing change, and this risk is particularly acute for us as a medical device company operating in the healthcare industry, where AI regulation is developing especially quickly — including through the EU AI Act, emerging U.S. state AI laws, executive orders imposing transparency requirements on AI used in certified health information technology, and evolving FDA guidance. Our limited resources may make it especially difficult to monitor and achieve timely compliance with new or evolving obligations, and failure to do so could subject us to enforcement actions, fines, or litigation.

Product liability lawsuits against us could cause us to incur substantial liabilities and limit commercialization of our products or any future products that we may develop.

We face an inherent risk of product liability exposure related to the sale of our products and the future sale of planned products and the use of these in human clinical studies. For example, we may be sued if our products or any of our product candidates, including any that are developed in combination therapies, allegedly cause injury, or are found to be otherwise unsuitable during product testing, manufacturing, marketing, or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability, or a breach of warranties. We may also be subject to liability for a misunderstanding of, or inappropriate reliance upon, the information we provide. If we cannot successfully defend ourselves against claims that our products or planned products caused injuries, we may incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in, among other things:

- decreased demand for our product or any planned products that we may develop;
- injury to our reputation and significant negative media attention;
- withdrawal of patients from our clinical studies or cancellation of studies;
- significant costs to defend the related litigation and distraction to our management team;
- substantial monetary awards to patients;
- loss of revenue;
- government investigations or enforcement actions; and
- the inability to commercialize any future products that we may develop.

For example, during the course of treatment, patients may suffer adverse events for reasons that may or may not be related to the nPulse System or our NPS technology. Such events could subject us to costly litigation, require us to pay substantial amounts of money to injured patients, delay, negatively impact, or end our opportunity to receive or maintain regulatory approval to market those products, or require us to suspend or abandon our commercialization efforts. Even if we do not believe that an adverse event is related to our products, the investigation into the circumstance may be time-consuming or inconclusive. These investigations may interrupt our sales efforts, delay our regulatory approval processes, or impact and limit the type of regulatory approvals our products could receive or maintain. As a result of these factors, a product liability claim, even if successfully defended, could harm our business.

We currently maintain product liability insurance coverage, which may not be adequate to cover all liabilities that we may incur. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Government Regulation

We are subject to stringent domestic and foreign regulation. Any unfavorable regulatory action or adverse change in law may materially and adversely affect our future financial condition and business operations and prospects.

The nPulse System and any other potential devices and products we develop are, and will continue to be, subject to extensive, rigorous, and ongoing regulation by numerous government agencies, including the FDA and similar foreign regulatory authorities. To varying degrees, each of these agencies monitors and enforces our compliance with laws and regulations governing the development, testing, manufacturing, labeling, marketing, distribution, and the safety and effectiveness of our medical technology. The process of obtaining and maintaining marketing approval or clearance from the FDA and similar foreign regulatory authorities for new devices and products, or for enhancements, expansion of the indications or modifications to existing products, could:

- take a significant indeterminate amount of time;
- require the expenditure of substantial resources;
- involve rigorous preclinical and clinical testing, and possibly post-market surveillance;
- involve modifications, repairs or replacements of our products;
- require design changes of our products;
- result in limitations on the indicated uses of our products; and
- result in our never being granted the regulatory approval or clearance we seek.

If we experience any of these occurrences, our operations may suffer and we might experience harm to our competitive standing, which could adversely affect our financial condition.

We are subject to, and will have ongoing responsibilities under, FDA and international regulations, both before and after a product is approved or cleared and commercially released. Compliance with applicable regulatory requirements is subject to continual review and is monitored rigorously through periodic inspections. If an inspection were to conclude that we are not in compliance with applicable laws or regulations, or that any of our devices are ineffective or pose an unreasonable health risk, the FDA or similar foreign regulatory authorities could ban such devices or products, detain or seize such devices or products, order a recall, repair, replacement, or refund of such devices or products, or require us to notify health professionals and others that the therapies, devices or products present unreasonable risks of substantial harm to the public health. Additionally, the FDA or similar foreign regulatory authorities may impose other operating restrictions, enjoin and restrain certain violations of applicable law pertaining to our devices and products or assess civil or criminal penalties against our officers, employees, or us. The FDA and similar foreign regulatory authorities have been increasing their scrutiny of the industry and governments are expected to continue to scrutinize the industry closely with inspections and possibly enforcement actions. Any adverse regulatory action, depending on its magnitude, may restrict us from effectively manufacturing, marketing and selling our devices and products, including the nPulse System. In addition, negative publicity and product liability claims resulting from any adverse regulatory action could have a material adverse effect on our financial condition and results of operations.

Changes in healthcare policy could increase our costs, decrease our revenue, and impact sales of, and reimbursement for, our current and future products. For example, the Affordable Care Act substantially changed the way healthcare is financed by both governmental and private insurers, and significantly impacted our industry, while recent changes in U.S. federal law and policy, including the expiration of enhanced Affordable Care Act subsidies and reductions in Medicaid funding, as well as Congressional deadlock over healthcare funding, have increased the likelihood that fewer patients in the United States will be insured and that insured patients will face higher out-of-pocket costs, which could result in downward pressure on prices for medical products such as ours. There will continue to be proposals by legislators at both the federal and state levels, regulators, and third-party payors to reduce costs while expanding individual healthcare benefits. Certain of these changes could impose additional limitations on the prices we will be able to charge for our current and future products or the amounts of reimbursement available for our current and future products from governmental agencies or third-party payors.

Disruptions in the FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel or otherwise prevent new product candidates and services from being developed or commercialized in a timely manner, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes and other events that may otherwise affect the FDA's ability to perform routine functions. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new product candidates to be reviewed or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical employees and stop critical activities. If a prolonged government shutdown occurs, such as those that occurred in October and November 2025, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

In addition, disruptions may result from events similar to the COVID-19 pandemic. During the COVID-19 pandemic, a number of companies announced receipt of complete response letters due to the FDA's inability to complete required inspections for their applications. In the event of a similar public health emergency in the future, the FDA may not be able to continue its current pace and review timelines could be extended. Regulatory authorities outside the United States facing similar circumstances may adopt similar restrictions or other policy measures in response to a similar public health emergency and may also experience delays in their regulatory activities.

Furthermore, given changes to the U.S. government's policies and priorities since January 2025, there is substantial uncertainty as to how, if at all, the current administration will seek to modify or revise the requirements and policies of the FDA and other regulatory agencies with jurisdiction over our product candidates. There is also uncertainty as to how other measures being implemented by the current administration across the government will impact our activities and those of the FDA and its operations. For example, the potential loss of FDA personnel could lead to further disruptions and delays in FDA review of our product candidates and FDA guidance regarding our or our collaborators' clinical development programs. Similarly, efforts by the new administration to substantially reduce federal funding of medical research could have substantial indirect impacts on our research activities.

Accordingly, if a prolonged government shutdown or other disruption occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Future shutdowns or other disruptions could also affect other government agencies such as the SEC, which may also impact our business by delaying review of our public filings, to the extent such review is necessary, and our ability to access the public markets.

All our product development depends upon maintaining strong working relationships with physicians.

The development, marketing, and sale of any future products in development depends upon our ability to maintain strong working relationships with physicians. We rely on these professionals to provide us with considerable knowledge and experience regarding the development, marketing, and sale of our products. Physicians assist us in clinical trials and as researchers, marketing and product consultants and public speakers. If we cannot maintain our strong working relationships with these professionals and continue to receive their advice and input, the development and marketing of our products could suffer, which could harm our business, financial condition and results of operations. The medical device industry's relationship with physicians is under increasing scrutiny by the Office of Inspector General ("OIG"), the Department of Justice ("DOJ"), state attorneys general, and other foreign and domestic government agencies. Our failure to comply with laws, rules and regulations governing our relationships with physicians, or an investigation into our compliance by the OIG, DOJ, state attorneys general, and other government agencies, could significantly harm our business, including compromising the use or integrity of our clinical data in regulatory submissions to the FDA or similar regulatory authorities.

We are subject to healthcare and other laws and regulations relating to our business and could face substantial penalties if we are determined not to have fully complied with such laws, which could have an adverse impact on our business.

We are exposed to the risk that our employees and independent contractors, including principal investigators, consultants, any commercial collaborators, service providers and other vendors may engage in misconduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or other unauthorized activities that violate applicable laws or regulations. There are many federal and state laws and regulations prohibiting fraud and abuse in the healthcare industry that can result in significant criminal and civil penalties. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell, and distribute our products for which we obtain marketing approval or clearance. Such laws include:

- U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, receiving, or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under a federal healthcare program, such as Medicare and Medicaid. The term "remuneration" has been broadly interpreted to include anything of value, and the government can find a violation of the Anti-Kickback Statute without proving that a person or entity had actual knowledge of the law or a specific intent to violate it. In addition, the government may assert that a claim including items or services resulting from a violation of the U.S. federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act;

- U.S. federal civil and criminal false claims laws and civil monetary penalties laws, including the civil False Claims Act, which, among other things, impose criminal and civil penalties, including through civil whistleblower or qui tam actions, against individuals or entities for knowingly presenting, or causing to be presented, to the U.S. government, claims for payment or approval that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or from knowingly making a false statement to avoid, decrease or conceal an obligation to pay money to the U.S. government;

- HIPAA imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and its implementing regulations, also imposes obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information without appropriate authorization by covered entities subject to the rule, such as health plans, healthcare clearinghouses and healthcare providers as well as their business associates that perform certain services for or on their behalf involving the use or disclosure of individually identifiable health information;

- the U.S. Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the government information related to payments or other "transfers of value" made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, and requires applicable manufacturers and group purchasing organizations to report annually to the government ownership and investment interests held by these physicians and their immediate family members;

- anti-bribery, anti-corruption, and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, or FCPA, and the U.K. Anti-Bribery Act, and similar anti-bribery laws in other non-U.S. jurisdictions, as well as export control laws, customs laws, sanctions laws and other laws governing our operations, all of which expose us to trade and economic sanctions and other restrictions imposed by the United States, the European Union, and other governments and organizations, as we grow our international presence and global operations; additionally, the FCPA imposes accounting standards and requirements on publicly traded U.S. corporations and their foreign affiliates, which are intended to prevent the diversion of corporate funds to the payment of bribes and other improper payments, and numerous other laws restrict, and in some cases prohibit, U.S. companies from directly or indirectly selling goods, technology or services to people or entities in certain countries;

- the California Consumer Privacy Act ("CCPA") and California Privacy Rights Act ("CPRA"), which require covered companies, such as companies with over $25 million in annual gross revenue, to, among other things, provide certain disclosures to California consumers and afford such consumers certain abilities to opt-out of certain sales of personal information, conduct and document data protection assessments for high-risk processing, maintain systems to respond to consumer requests, and provide detailed privacy notices explaining data collection, use, retention, and disclosure practices;

- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; and

- analogous state and non-U.S. laws and regulations, such as state anti-kickback and false claims laws, which may apply to our business practices, including, but not limited to, research, distribution, sales, and marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state laws that require device companies to comply with the industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the U.S. government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws and regulations that require manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and pricing information; and state and non-U.S. laws governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

We have implemented compliance related programs and procedures consistent with our stage of development to help identify and deter healthcare and other violations by employees and other third parties that perform services for us. Notwithstanding our efforts, however, it is possible that governmental authorities may conclude that our business practices do not comply with current or future statutes, regulations, agency guidance, or case law involving applicable healthcare or other applicable laws.

Also, any material changes to any of the laws or regulations applicable to our business could harm our business, financial condition and results of operations.

To obtain the necessary device approvals or clearances from regulatory authorities for our future product candidates, we will have to conduct various preclinical and clinical tests, which may be costly and time consuming, and may not provide results that will allow us to seek regulatory approval or clearance.

The number of preclinical and clinical tests that will be required for regulatory clearance or approval varies depending on the disease or condition to be treated, the method of treatment, the nature of the device, the jurisdiction in which we are seeking approval or clearance and the applicable regulations. Regulatory agencies, including those in the United States, Canada, Europe, and other jurisdictions where medical devices and products are regulated can delay, limit or deny approval of a product for many reasons. For example, regulatory agencies:

- may not deem a technology or device to be reasonably safe or effective for any intended use or indication;
- may interpret data from preclinical and clinical testing differently than we do;
- may determine our manufacturing facility or processes do not comply with quality system regulations;
- may conclude that our products do not meet quality standards for durability, long-term reliability, biocompatibility, electromagnetic compatibility, or electrical safety; or
- may change their approval or clearance policies or adopt new regulations in a manner that is adverse to us.

These regulators may make requests or disagree with us regarding the design or conduct of our clinical trials, resulting in an increased risk of difficulties or delays in obtaining regulatory approval or clearance on future product candidates, or expanded indications of use for our existing products, and increased costs.

Even if a potential device or product ultimately is cleared or approved by regulatory authorities, it may be cleared or approved only for narrow indications which may render it commercially less viable.

Even if we complete clinical testing and a potential device or product of ours is cleared or approved, it may not be cleared or approved for the indications that are necessary or desirable for a successful commercialization. Regulators may grant marketing authorization contingent on the performance of costly additional clinical trials which may be required after approval or clearance. Regulators also may approve or clear our lead product candidates, including the nPulse System, for a more limited indication or a narrower patient population than we originally requested. Our preference will be to obtain as broad an indication as possible for use in connection with the particular disease or treatment for which it is designed. However, the final indication or labeling may be more limited than we originally seek. Any limitation on use may make the device or product commercially less viable and more difficult, if not impractical, to market. Therefore, we may not obtain the revenue that we seek in respect of the proposed product, and we will not be able to become profitable and provide an investment return to our investors.

We will be subject to ongoing requirements and inspections that could lead to the restriction, suspension or revocation of our clearance.

We, as well as any potential third-party manufacturer, will be required to adhere to FDA quality systems requirements, which include testing, control, and documentation requirements. We will be subject to similar regulations in foreign countries. Even when regulatory approval or clearance of a product is granted, the approval or clearance may be subject to limitations on the indicated uses for which the product may be marketed or to the conditions of approval or clearance, or contain requirements for costly post-marketing testing and surveillance to monitor the safety or efficacy of the product. Ongoing compliance with quality system regulations and other applicable regulatory requirements is strictly enforced in the United States through periodic inspections by state and federal agencies, including the FDA, and in international jurisdictions by comparable agencies. Failure to comply with regulatory requirements could result in, among other things, warning letters, fines, injunctions, civil penalties, recall or seizure of products, total or partial suspension of production, failure to obtain premarket clearance or premarket approval for devices, withdrawal of approvals or clearances previously obtained, and criminal prosecution. The restriction, suspension or revocation of regulatory approvals or clearances, or any other failure to comply with regulatory requirements would limit our ability to operate and could materially increase our costs.

Our employees, collaborators and other personnel may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements and insider trading.

We are exposed to the risk of fraud or other misconduct by our employees, collaborators and other personnel, which could include intentional, reckless and/or negligent conduct or disclosure that violates: (i) the laws of the FDA and other similar foreign regulatory bodies, including those laws requiring the reporting of true, complete and accurate information to such regulators; (ii) manufacturing standards; or (iii) healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws. These laws may impact, among other things, future sales, marketing and education programs. The promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud and abuse, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commissions, certain customer incentive programs, and other business arrangements generally. Activities subject to these laws also involve the use of information obtained in the course of patient recruitment for clinical trials.

We adopted a code of conduct applicable to all of our employees, but it is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent unlawful activities may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions. Whether or not we are successful in defending against any such actions or investigations, we could incur substantial costs, including legal fees, and divert the attention of management in defending ourselves against any of these claims or investigations, which could have a material adverse effect on our business and financial condition.

We are subject to environmental regulations and any failure to comply with applicable laws could subject us to significant liabilities and harm our business.

We are subject to a variety of local, state, federal, and foreign government regulations relating to the storage, discharge, handling, emission, generation, manufacture, and disposal of toxic or other hazardous substances used in the manufacture of our products. The failure to comply with past, present, or future laws could result in the imposition of fines, third-party property damage and personal injury claims, investigation and remediation costs, the suspension of production, or a cessation of operations. We also expect that our operations will be affected by other new environmental and health and safety laws on an ongoing basis. Although we cannot predict the ultimate impact of any such new laws, they will likely result in additional costs and may require us to change how we manufacture our products, which could have a material adverse effect on our business.

Risks Related to Owning Our Common Stock

The price of our common stock has been, and we expect it to continue to be, highly volatile, and you may be unable to sell your shares at or above the price you paid to acquire them.

The market price of our common stock has been highly volatile, and we expect it to continue to be highly volatile for the foreseeable future in response to many risk factors listed in this section, and others beyond our control, including:

- results of clinical trials of our planned products or those of our competitors;
- actions by regulatory bodies, such as the FDA, that affect our business or have the effect of delaying or rejecting approval or clearance of our planned products;
- actual or anticipated fluctuations in our financial condition and operating results;
- announcements by our customers, partners or suppliers relating directly or indirectly to our products, services or technologies;
- announcements of technological innovations by us or our competitors;
- changes in laws or regulations applicable to the nPulse System or to our planned end-effectors;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, capital commitments, or achievement of significant milestones;
- additions or departures of key personnel;
- competition from existing products or new products that may emerge;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- disputes or other developments related to proprietary rights, including patents, litigation matters or our ability to obtain intellectual property protection for our technologies;

- actual or alleged security breaches;
- announcements or expectations of additional financing efforts;
- sales of our common stock by us or our stockholders;
- stock price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- reports, guidance and ratings issued by securities or industry analysts;
- overall conditions in our industry and market, including the negative impact of armed conflicts, health epidemics and climate change on the global economy and markets; and
- general economic and market conditions.

Any of the above may cause our stock price or trading volume to decline. Stock markets in general, and the market for companies in our industry in particular, have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies, including ours. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may negatively impact the market price of our common stock. Investors may not realize any return on their investment in us and may lose some or all of their investment. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. The high volatility of our stock price, the composition of our Board and governance practices, including our Co-Chairman's repeated interest in acquiring additional shares in our Company through related party transactions, as well as countless other factors not identified above, increase the risk of securities litigation or shareholder derivative litigation against the Company and its Directors. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns and adversely impact our ability to raise capital to fund our operations, which could seriously harm our business.

Sales or purchases of shares of our common stock may adversely affect the market for our common stock.

If we or our stockholders, particularly our directors, executive officers and significant stockholders, sell or purchase, register for sale, or indicate an intent to sell or purchase, shares of our common stock in the public market, it may have a material adverse effect on the market price of our common stock. In particular, Robert W. Duggan, our majority stockholder and Co-Chairman, is not subject to any contractual restrictions with us on his ability to sell or transfer the shares of our common stock that he holds, and these sales or transfers could create substantial declines in the price of our securities or, if these sales or transfers were made to a single buyer or group of buyers, could contribute to a transfer of control of our Company to a third party. All of Mr. Duggan's shares in the Company have been registered for resale pursuant to an effective registration statement on Form S-3. Sales by Mr. Duggan of a substantial number of shares, or the expectation of such sales, could cause a significant reduction in the market price of our common stock.

We do not know whether an active, liquid and orderly trading market will exist for our common stock and as a result it may be difficult for you to sell your common stock.

Prior to our initial public offering in May 2016, there was no public market for our common stock. Although our common stock is listed on The Nasdaq Capital Market ("Nasdaq"), the market for our shares has demonstrated varying levels of trading activity. As a result of these and other factors, you may not be able to sell your common stock quickly, at or above the price paid to acquire the stock or at all. Further, an inactive market may also harm our ability to raise capital by selling additional common stock and may harm our ability to enter into strategic collaborations or acquire companies or products by using our common stock as consideration.

Concentration of ownership by our principal stockholder limits the ability of others to influence the outcome of director elections and other transactions requiring stockholder approval, or create the potential for conflicts of interest.

A majority percentage of our outstanding stock is held by Robert W. Duggan, Co-Chairman of our Board, who beneficially owns approximately 72% of our common stock outstanding as of December 31, 2025. As a result, Mr. Duggan has control over corporate actions requiring stockholder approval, including the following actions:

- to elect or defeat the election of our directors;
- to amend or prevent amendment of our certificate of incorporation or bylaws;
- to effect or prevent a merger, sale of assets or other corporate transaction; and
- to control the outcome of any other matter submitted to our stockholders for vote.

Mr. Duggan's controlling interest in the Company also creates the potential for conflicts of interest which could be viewed unfavorably by minority stockholders, thereby hurting our stock price. For example, in November 2021, we engaged outside legal counsel to represent the Company even though the same legal counsel currently represents Mr. Duggan personally in other matters. In prior years, this legal counsel represented Mr. Duggan in certain related party transactions with the Company and could represent both the Company and Mr. Duggan in future related party transactions. Three of our directors, including Mr. Duggan and Manmeet Soni, our Lead Independent Director and Audit Committee Chairman, are executives at Summit Therapeutics Inc., another company in which Mr. Duggan holds a controlling equity interest. There are no family relationships among any of our directors or executive officers, except that Mr. Duggan and Dr. Zanganeh are married and their beneficial ownership together exceeds 74%.

Additionally, because Mr. Duggan owns a majority of our outstanding shares, we are considered to be a "controlled" company under applicable Nasdaq rules. As such, we may voluntarily elect not to comply with certain of Nasdaq's corporate governance requirements, such as certain rules concerning the setting of executive compensation and the appointment of directors. Accordingly, during the period we remain a controlled company and during any transition period following a time when we are no longer a controlled company, other stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq Stock Market. As a member of our Board, Mr. Duggan will adhere to the corporate governance standards adopted by the Company.

Even though we have not yet elected to take advantage of any of these corporate governance exemptions permitted by Nasdaq, Mr. Duggan's stock ownership and our status as a "controlled" company may discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company, which in turn could reduce our stock price or prevent our stockholders from realizing a premium over our stock price. In addition, Mr. Duggan is not subject to any contractual restrictions on his ability to acquire additional shares of common stock and any such purchases, including purchases of equity securities in connection with any rights offerings or any alternative equity or equity-linked offering that we may conduct, could result in his acquisition of a larger percentage of our common stock.

Management currently beneficially holds a small percentage of our common stock. Other than their positions as directors or officers, and the restriction on the stockholders being able to call a special meeting limited to holders of 15% or more of the outstanding shares of common stock, our management will not be able to greatly influence corporate actions requiring stockholder approval.

Robert W. Duggan's controlling ownership position may impact our stock price and may deter or prevent efforts by others to acquire us, which could prevent our stockholders from realizing a control premium.

Robert W. Duggan is our Co-Chairman, and he beneficially owns approximately 72% of our common stock outstanding as of December 31, 2025. In addition, Mr. Duggan is not subject to any contractual restrictions on his ability to acquire additional shares of common stock, and any such purchases, including purchases of equity securities in connection with any rights offerings or any alternative equity or equity-linked offering that we may conduct, could result in his acquisition of a majority of our common stock. As a result of Mr. Duggan's controlling ownership and position as Co-Chairman, others may be less inclined to pursue an acquisition of us and therefore we may not have the opportunity to be acquired in a transaction that stockholders might otherwise deem favorable, including transactions in which our stockholders might realize a substantial premium for their shares. In addition, public speculation regarding Mr. Duggan, as well as our relationship with Mr. Duggan, could cause our stock price to fluctuate.

We have incurred and will continue to incur costs as a result of operating as a public company and our management has been and will be required to devote substantial time to public company compliance initiatives.

As a public company, listed in the United States, we have incurred and will continue to incur significant legal, accounting and other expenses due to our compliance with regulations and disclosure obligations applicable to us, including compliance with the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, as well as rules implemented by the SEC and Nasdaq. The SEC and other regulators have continued to adopt new rules and regulations and make additional changes to existing regulations that require our compliance.

Stockholder activism, the current political environment, and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which may lead to additional compliance costs and impact, in ways we cannot currently anticipate, the manner in which we operate our business. Our management and other personnel have and will continue to devote a substantial amount of time to these compliance programs and monitoring of public company reporting obligations and, as a result of the new corporate governance and executive compensation related rules, regulations, and guidelines prompted by the Dodd-Frank Wall Street Reform and Protection Act, or the Dodd-Frank Act, and further regulations and disclosure obligations expected in the future, we will likely need to devote additional time and costs to comply with such compliance programs and rules. New laws and regulations as well as changes to existing laws and regulations affecting public companies, including the provisions of the Sarbanes-Oxley Act, the Dodd-Frank Act, and rules adopted by the SEC and Nasdaq, will likely result in increased costs to us as we respond to their requirements.

Furthermore, these and future rules and regulations could make it more difficult or more costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our executive officers.

We are a "smaller reporting company"; we cannot be certain if the applicable reduced disclosure requirements will make our common stock less attractive to investors.

We qualify as a "smaller reporting company," as defined in the Exchange Act, and so long as we remain a smaller reporting company, we benefit from and may take advantage of scaled disclosure requirements. We cannot know if investors find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile and it may be difficult for us to raise additional capital as and when we need it. Investors may be unable to compare our business with other companies in our industry if they believe that our reporting is not as transparent as other companies in our industry. If we are unable to raise additional capital as and when we need it, our financial condition and results of operations may be materially and adversely affected.

We have not paid dividends in the past and have no plans to pay dividends.

For the foreseeable future, we plan to reinvest all of our earnings, to the extent we have earnings, into our product research and development efforts, so we have no plans to pay any cash dividends with respect to our securities. We cannot assure you that we would, at any time, generate sufficient surplus cash that would be available for distribution to the holders of our common stock as a dividend. Therefore, you should not expect to receive cash dividends on our outstanding common stock.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Certain anti-takeover provisions of Delaware law and provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management. These provisions could also make it difficult for stockholders to elect directors that are not nominated by the current members of our board of directors or take other corporate actions, including effecting changes in our management. Our certificate of incorporation and bylaws include provisions that:

- authorize our board of directors to issue, without further action by the stockholders, up to 50,000,000 shares of preferred stock and up to approximately 500,000,000 shares of authorized but unissued shares of common stock;
- require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by our board of directors, the chairman of our board of directors, any of our officers, or any stockholder holding at least fifteen percent (15%) of the voting power of the capital stock issued and outstanding and entitled to vote;
- establish an advance notice procedure for stockholder approvals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors;
- require the affirmative vote of holders of at least 66 2/3% of the voting power of all the then outstanding shares of our voting stock, voting together as a single class, to amend provisions of our certificate of incorporation or our bylaws;
- give our board of directors the ability to amend our bylaws by majority vote; and
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board, which is responsible for appointing the members of our management. Furthermore, our bylaws provide that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of us, (b) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of us to us or our stockholders, (c) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws, or (d) any action asserting a claim governed by the internal affairs doctrine, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein; provided that, if and only if the Court of Chancery dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in Delaware. Our bylaws further provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. These exclusive-forum provisions may discourage lawsuits against us or our directors, officers, and employees. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders owning in excess of 15% of our outstanding voting stock to engage in certain types of transactions with us.

General Risk Factors

Unfavorable global economic or political conditions could adversely affect our business, financial condition or results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets, including the negative impact of armed conflicts, health epidemics and climate change on the global economy and markets. A global financial crisis or a banking crisis or a global or regional political disruption could cause extreme volatility in the capital and credit markets. The Company places its cash equivalents and investments with high credit quality financial institutions and, by policy, limits the amounts invested with any one financial institution or issuer and restricts the Company's investments to U.S. treasuries and money market instruments. However, in general the Company's deposits held with banks exceed the amount of insurance provided on such deposits. Despite our low-risk investment policies, a severe or prolonged economic downturn or political disruption could result in a variety of risks to our business, including our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy, banking crisis or political disruption could also strain our manufacturers or suppliers, possibly resulting in supply disruption, or cause our customers to delay making payments for our products. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the political or economic climate and financial market conditions could adversely impact our business.

The global financial markets and economy may also be adversely affected by the current or anticipated impact of military conflict, such as the ongoing Russian-Ukrainian war, the war on terrorism, and lingering hostilities in the Middle East, as well as other geopolitical events. Sanctions imposed by the United States and other countries in response to such conflicts, including the Russian-Ukrainian war, may also adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability.

Recently, the U.S. government has been changing its approach to international trade policy and in some cases it has been renegotiating or terminating certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the U.S. government has initiated or is considering imposing tariffs on certain foreign goods. Related to this action, certain foreign governments have instituted or are considering imposing tariffs on certain U.S. goods. It remains unclear what the U.S. government or foreign governments will or will not do with respect to tariffs or other international trade agreements and policies. A trade war or other governmental action related to tariffs or international trade agreements or policies has the potential to disrupt our research activities, affect our suppliers and/or the U.S. or global economy or certain sectors thereof and, thus, could adversely impact our businesses.

If we experience material weaknesses in the future or otherwise fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. Section 404 of the Sarbanes-Oxley Act requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. GAAP. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective. The identification of one or more material weaknesses would preclude a conclusion that we maintain effective internal control over financial reporting. Accordingly, there could continue to be a reasonable possibility that a material misstatement of our financial statements would not be prevented or detected on a timely basis.

We are required to disclose changes made in our internal control and procedures on a quarterly basis. However, our independent registered public accounting firm will not be required to report on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until we are no longer a "small reporting company." At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating. Our remediation efforts may not enable us to avoid a material weakness in the future. If we are unable to assert that our internal control over financial reporting is effective, or when required in the future, if our independent registered public accounting firm is unable to express an unqualified opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be adversely affected, and we could become subject to litigation risk and to investigations by Nasdaq, the stock exchange on which our securities are listed, by the SEC, and by other regulatory authorities, which could require additional financial and management resources.

If the interpretations, estimates or judgments we use to prepare our financial statements prove to be incorrect, investors and others may lose confidence in our financial data, which could cause our stock price to decline.

We, like all publicly traded companies, are subject to complex securities laws and regulations and accounting principles and interpretations. The preparation of our financial statements requires us to interpret accounting principles and guidance and to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements, as well as the reported expenses incurred during the reporting periods. We base our interpretations, estimates and judgments on our historical experience, appropriate accounting guidance and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for the preparation of our financial statements. However, accounting guidance can sometimes be conflicting, especially with respect to accounting for complex corporate transactions. Moreover, generally accepted accounting principles presentation is subject to interpretation by the SEC, the Financial Accounting Standards Board ("FASB") and various other bodies formed to interpret and create appropriate accounting principles and guidance. If one of these bodies disagrees with our accounting recognition, measurement or disclosure or any of our accounting interpretations, estimates or assumptions, we may have to retroactively revise our previously reported results and our investors could lose confidence in the accuracy and completeness of our financial reports, which could cause our stock price to decline.

We may become involved in litigation that may materially adversely affect us.

From time to time, we may be involved in a variety of claims, lawsuits, investigations, or proceedings relating to securities laws, product liability, patent infringement, contract disputes, and other matters relating to various claims that arise in the normal course of our business in addition to governmental and other regulatory investigations and proceedings. In addition, third parties may, from time to time, assert claims against us. Such matters can be time-consuming, divert management's attention and resources, cause us to incur significant expenses or liability and/or require us to change our business practices. Because of the potential risks, expenses and uncertainties of litigation, we may, from time to time, settle disputes, even where we have meritorious claims or defenses, by agreeing to settlement agreements. Because litigation is inherently unpredictable, we cannot assure you that the results of any of these actions will not have a material adverse effect on our business, financial condition, results of operations and prospects.

Our facilities in California are located near known earthquake faults, and the occurrence of an earthquake or other catastrophic disaster could cause damage to our facilities and equipment, which could require us to cease or curtail operations.

Our facilities in Hayward, California are located near known earthquake fault zones and are vulnerable to damage from earthquakes. We are also vulnerable to damage from other types of disasters, including fire, floods, power loss, communications failures, and similar events. If any disaster were to occur, our ability to operate our business at our facilities would be seriously, or potentially completely, impaired. In addition, the nature of our activities could make it difficult for us to recover from a natural disaster. The insurance we maintain may not be adequate to cover our losses resulting from disasters or other business interruptions. Accordingly, an earthquake or other disaster could materially and adversely harm our ability to conduct business.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Cybersecurity Risk Management and Strategy

To combat ever-present cyber risks, the Company maintains a comprehensive cybersecurity program, which includes employee training, annual risk assessments and a comprehensive cybersecurity environment meant to detect, prevent, and limit unauthorized or harmful actions across our information technology environment. However, we operate in the medical device sector, which is subject to various cybersecurity risks that could adversely affect our business, financial condition, and results of operations, including intellectual property theft; fraud; extortion; harm to patients, customers, and employees; violation of privacy laws and other litigation and legal risk; and reputational risk.

We have implemented a risk-based approach to identify and assess the cybersecurity threats that could affect our business and information systems. We use recognized commercially reasonable measures, tools and methodologies to manage cybersecurity risk that are tested on a regular cadence. We also monitor and evaluate our cybersecurity posture on an ongoing basis through regular vulnerability scans, penetration tests and third-party reviews. Other key components of our cybersecurity program include, but are not limited to, asset management, encryption, data loss prevention technology, access controls, identity and access management (IAM), such as multi-factor authentication (MFA), vulnerability management, endpoint threat detection and response (EDR), logging and monitoring involving the use of security information and event management (SIEM), privileged access management (PAM), email and web gateway protection, multi-faceted backup and data recovery solutions, anti-malware, firewalls, IDS and IPS, auditing and monitoring, regular policy updates, security awareness training, anti-phishing campaigns, intrusion detection and prevention, vulnerability and patch management, and third-party risk management. We also subscribe to third-party threat intelligence tools and services that support monitoring, analyzing, and responding to emerging risks and threats. We require third-party service providers with access to personal, confidential, or proprietary information to implement and maintain comprehensive cybersecurity practices consistent with applicable legal standards, although currently we do not audit this. While we believe our cybersecurity practices are comparable to those of similarly situated companies, the Company does not currently audit its third-party service providers' cybersecurity practices, except through its regulatory and quality control auditing of vendors engaged in clinical trials or the manufacture of products used in the assembly of our medical devices. We also rely on industry leading third party service providers to provide the systems required to effectively run our clinical trials and require that these third-party service providers implement and maintain standard cybersecurity practices. We have business continuity plans that we regularly review and update in line with our evolving applications architecture. We believe our cybersecurity practices comply with applicable legal requirements, including those established by the FDA.

To date, we have not experienced any material security incidents or data breaches as a result of a compromise of our information systems and are not aware of any cybersecurity incidents that have had a material impact or are reasonably likely to materially affect our business strategy, operating results, or financial condition.

Cybersecurity Governance

One of the key functions of our board of directors is informed oversight of our compliance program, including the processes used to mitigate risks associated with cybersecurity threats. Our Board is responsible for monitoring and assessing strategic risk exposure generally, and our executive officers are responsible for the day-to-day management of the material risks we face. Our Board administers its enterprise-level oversight of risks associated with cybersecurity threats directly as a whole, as well as through delegation of responsibility to our Audit Committee, which serves and functions as the Board's primary oversight body to monitor the Company's cybersecurity and related information technology risk. The Audit Committee receives periodic reports from management personnel responsible for enterprise risk management, which also evaluates cybersecurity among other enterprise level risks on an annual basis. It also assesses the experience of management personnel responsible for preventing, mitigating, detecting, and remediating any cyber incidents, including applicable third-party providers. The Audit Committee also oversees the Company's disclosure of any cybersecurity incident deemed material as required by the SEC or any other governmental authority, as applicable.

At the operational level, the Company has established an information security team, including a Privacy and Security Council ("PSC"), consisting of representatives from IT, Legal, HR, and Finance, to help provide governance and strategic direction for managing cyber risks, maintaining IT regulatory compliance, and optimizing technology initiatives for alignment with our company goals and objectives. Pursuant to various policies adopted by the Company since 2021, including the Company's Privacy Policy, the Company's senior most IT employee, our Information Security Coordinator (our "ISC"), is a member of the PSC and has frontline responsibility for assessing, identifying and managing material risks from cybersecurity threats. The PSC convenes not less than annually, and meetings include updates on cybersecurity matters provided by the information security team.

Our ISC has expertise in the following areas which assist in assessing and managing applicable cybersecurity risk: 28 years of IT experience including endpoint detection, security, incident management and response, vulnerability management and response, event management and response, and network security segmentation. The ISC provides regular reports on ongoing risk and mitigation practices, including information about cyber risk management governance and status updates on various projects intended to enhance the overall cybersecurity posture of the Company, to our Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, and General Counsel, who then report to the Audit Committee and the Board.

Our incident response plan designates our ISC as primarily responsible for identifying and evaluating any cybersecurity incident or suspected incident and reporting any such incidents to our General Counsel in order for management to evaluate materiality, and to report to our Audit Committee, our Board and make public disclosures, as applicable. Our General Counsel is responsible for routinely updating both the Board and the Audit Committee on the Company's cybersecurity personnel, practices and processes and, pursuant to our data breach response policy, which is updated from time to time, he must report to the Board in the event of any detected material incident and regularly update the Board on any mitigation and remediation steps being taken in connection with the Company's response. The Company has, from time to time, engaged external experts, including cybersecurity assessors, consultants, auditors, and legal counsel, in evaluating and testing our risk management systems and on a project-specific basis to assist us with projects that will improve our IT infrastructure, strengthen our products' security posture, and improve our cyber readiness. This enables us to leverage specialized knowledge and insights, ensuring our cybersecurity strategies and processes remain current.

tem 2. Properties

We currently lease approximately 50,300 square feet of premises located in Hayward, California, which is used for our principal operating facility. The term of the lease extends through October 2029.

We also currently lease approximately 2,000 square feet of premises located in Miami, Florida, which is used for our corporate headquarters. The term of the lease is 65 months and it commenced on November 8, 2024.

We believe that our existing and expanded facilities will be sufficient to meet our needs for the foreseeable future.

Item 3. Legal Proceedings

From time to time, we may be involved in various legal proceedings arising in the ordinary course of business. We are not presently a party to any legal proceedings that, in the opinion of management, could have a material adverse effect on our results of operations or financial condition. Regardless of outcome, however, any litigation could have an adverse impact on us because of defense and settlement costs, diversion of management resources, negative publicity, reputational harm, and other factors.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock is listed on Nasdaq and has been traded under the symbol "PLSE" since May 18, 2016.

Holders of Record

As of February 1, 2026, there were approximately 11 stockholders of record of our common stock. We believe the actual number of stockholders is greater than this number of record holders and includes stockholders who are beneficial owners, but whose shares are held in "street" name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid any cash dividend on our common stock and have no present plans to do so. We intend to retain earnings for use in the operation and expansion of our business.

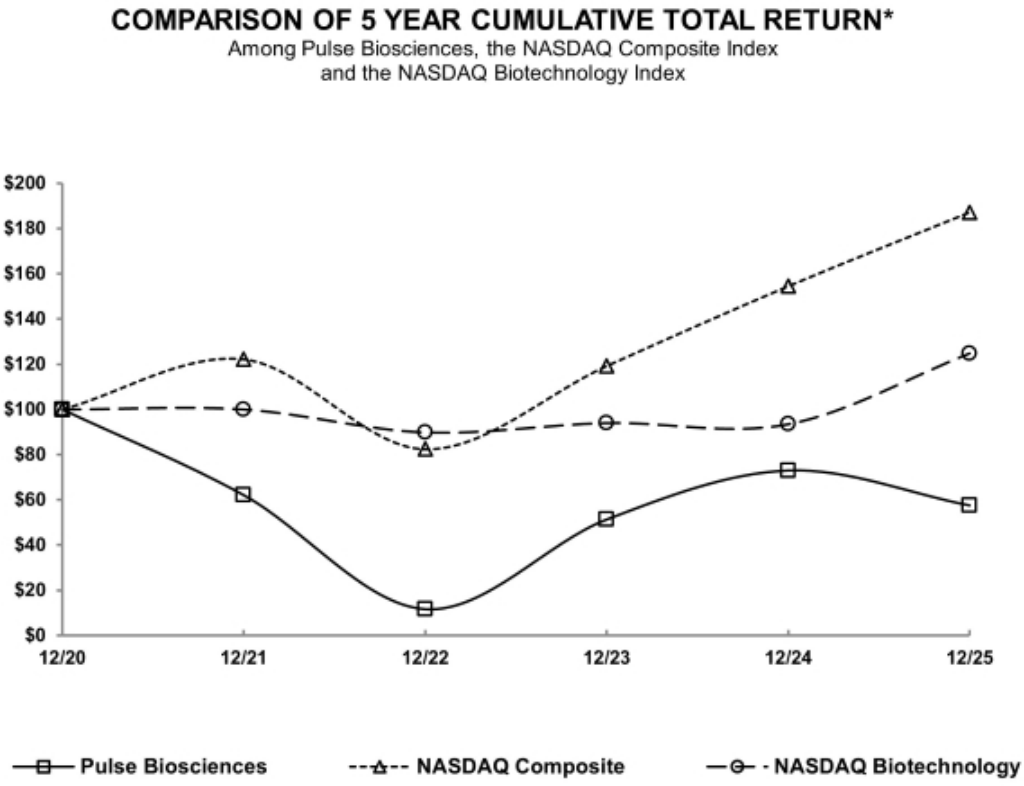
Sales of Unregistered Securities

There were no unregistered sales of equity securities during the period covered by this Annual Report on Form 10-K.

Performance Graph

The performance graph included in this Annual Report on Form 10-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or incorporated by reference into any filing of Pulse Biosciences, Inc. under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

The following graph matches our cumulative 5-year total shareholder return on common stock with the cumulative total returns of the Nasdaq Composite Index and the Nasdaq Biotechnology Index. The graph tracks the performance of a $100 investment in our common stock and in each index (with the reinvestment of all dividends) from December 31, 2020, to December 31, 2025. Such returns are based on historical results and are not intended to suggest future performance.



Item 6. Selected Financial Data

The Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the related notes thereto included in Item 8 under the heading "Financial Statements and Supplementary Data". Some of the information contained in this discussion and analysis or set forth elsewhere in this Form 10-K contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements relate to expectations concerning matters that are not historical facts. The words "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "might," "plans," "projects," "will," "would," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements include, but are not limited to, statements related to our expected business, new product introductions, results of clinical studies, expectations regarding regulatory clearance and the timing of FDA or non-US filings or approvals including meetings with FDA or non-US regulatory bodies, procedures and procedure adoption, future results of operations, future financial position, our ability to generate revenue, our financing plans and future capital requirements, anticipated costs of revenue, anticipated expenses, the effect of recent accounting pronouncements, our anticipated cash flows, our ability to finance operations from cash flows or otherwise, and statements based on current expectations, estimates, forecasts, and projections about the economies and markets in which we operate and intend to operate and our beliefs and assumptions regarding these economies and markets. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. You should read the "Risk Factors" section of this Form 10-K for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. We do not assume any obligation to update any forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Annual Report, and although we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted a thorough inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. This Annual Report and any documents incorporated by reference may contain market data that we obtain from industry sources. These sources do not guarantee the accuracy or completeness of the information. Although we believe that our industry sources are reliable, we do not independently verify the information. The market data may include projections that are based on other projections. While we believe these assumptions and projections are reasonable and sound, as of the date of this Annual Report, actual results may differ from the projections.

Overview

We are a novel ablation company committed to health innovation using our patented Nano-pulse Stimulation ("NPS") technology, a revolutionary energy modality that delivers nanosecond-duration pulses of electrical energy, each less than a millionth of a second long, to nonthermally clear or kill targeted cells. NPS technology, also referred to as Nanosecond Pulsed-Field Ablation ("nsPFA") technology when used to ablate cellular tissue, can be used to treat a variety of medical conditions for which an optimal solution remains unfulfilled. We developed our proprietary nPulse System (formerly known as CellFX), a novel nsPFA delivery platform, and commercialized the initial application of its nsPFA technology to treat benign lesions of the skin. In parallel, we have designed a variety of applicators, or disposables, to explore the potential use of the nPulse platform to treat disorders in other medical specialties, such as cardiology, gastroenterology, gynecology, and otolaryngology. These applicators include devices for open surgical procedures, endoscopic or minimally invasive procedures, and endoluminal catheters, and each has been used in preclinical studies. Based on our preclinical experience and the potential to significantly improve outcomes for patients in a large and growing market, we decided in 2022 to focus our primary efforts on the use of nsPFA energy and the nPulse platform in the treatment of atrial fibrillation, where approximately 1.9 million patients in the United States are diagnosed annually. This potentially represents a greater than $3.0 billion addressable market within electrophysiology alone combined with long-term double-digit growth. Additionally, we are also pursuing the treatment of atrial fibrillation via a surgical approach as well as select other markets where nsPFA technology could have a profound positive impact on healthcare for both patients and providers, such as surgical soft tissue ablation.

nPulse Vybrance Percutaneous Electrode System

Our first product for soft tissue ablation in a surgical setting, the Vybrance Percutaneous Electrode System, consists of a disposable, percutaneous, needle electrode for use with our proprietary nPulse Console. This novel electrode is designed to harness and deliver the key advantages of nsPFA energy, enabling precise nonthermal removal of cellular tissue without inducing thermal necrosis.

After years of preclinical development and testing, in June 2023, we initiated a first-in-human study using our proprietary nsPFA-enabled percutaneous electrode. This study was conducted by Professor Stefano Spiezia at the Ospedale del Mare in Naples, Italy, to help us better understand and confirm the mechanism of action and tissue response of nsPFA energy in internal organs such as the thyroid. Thirty study subjects were treated, all of whom tolerated the procedure well with no reported serious side effects. Ultrasound images post procedure showed treated portions of the benign thyroid nodules were mostly resorbed with no sign of scarring or fibrosis, which can be a side effect of other ablation modalities using thermal energies.

In parallel, in November 2023, we filed a premarket notification 510(k) with the FDA for clearance to commercialize our novel Vybrance Percutaneous Electrode System in the United States. In March 2024, we received FDA 510(k) clearance for our Vybrance Percutaneous Electrode System for use in the ablation of soft tissue in percutaneous and intraoperative surgical procedures. More recently, in August 2024, we received FDA 510(k) clearance for a second size of the percutaneous electrode needle, which we believe will provide our customers with an additional treatment option for their patients.

Since securing 510(k) clearance to market and sell the Vybrance Percutaneous Electrode System in the United States, we have engaged with experts in the field of soft tissue ablation to gather information to help shape our commercial endeavors (our "Pilot Program"). To date, we have placed our nPulse System at sites in the United States under either short-term evaluation, consulting or other early commercial agreements pursuant to which the sites have been performing initial patient treatments and evaluating the nPulse System as well as providing valuable feedback and support for our first launch of an nsPFA-enabled surgical product.

More recently, in September 2025, we commenced a clinical trial (PRECISE BTN) to generate clinical evidence to demonstrate the safety and effectiveness of this less-invasive thyroid-preserving procedure and support commercialization of the Vybrance Percutaneous Electrode System in the United States. In this study, benign thyroid nodule soft tissue ablation procedures will be performed on up to 50 patients at up to four sites. Study endpoints evaluated during the follow-up timepoints will include safety, targeted nodule volume reduction, symptom reduction, and improvements in quality of life and cosmesis over various follow-up periods. The pace of enrollment is encouraging and we expect enrollment to complete in the next few months. To date, these clinicians, together with those in the Pilot Program as well as our first commercial accounts, have completed more than 300 patient procedures. We expect to pursue more clinical evidenced-based milestones in connection with the limited market release of our percutaneous electrodes.

Our Cardiac Surgical Program

Atrial fibrillation ("AF") is a type of heart arrythmia, or irregular heartbeat, caused by faulty electrical signals in the heart. AF is a highly prevalent condition and is growing significantly with an ageing population. It is estimated that 43 million people worldwide are affected by AF. Treatment requires the precise and safe ablation of heart tissue to block or otherwise prevent these faulty electrical signals from causing the irregular heartbeat, and we believe nsPFA energy is uniquely suited to perform an integral role for this application and that it will prove to be highly differentiated from other energy modalities in use today.

The results of preclinical and clinical testing of both our nPulse cardiac products, namely our surgical ablation clamp and our endocardial ablation catheter, have exceeded our expectations and initial data have been presented at physician and industry conferences. While these devices serve different physicians, the application of nsPFA energy to safely and effectively ablate cardiac tissue to treat AF are the same, and we believe there will be important synergies realized through their contemporaneous development. The Company's cardiac surgical ablation clamp and cardiac endocardial ablation catheter both generate our proprietary nsPFA pulses of electrical energy. We discuss each of these products under development in more detail below.

nPulse Cardiac Surgical Clamp

Our surgical cardiac ablation clamp is designed for use by cardiac surgeons during the surgical treatment of AF. The standard of care surgical procedure for the treatment of AF is performed by cardiac surgeons and called the Cox-Maze procedure. The Cox-Maze procedure typically uses thermal ablation technologies, such as heat with radiofrequency ablation or cold with cryoablation, to create specific ablation lines in the heart muscle. These ablation lines block the conduction of electrical impulses and can cure patients of their AF.

We believe our nsPFA energy can provide important advantages over today's thermal modalities in creating these ablation lines. For example, surgeons using the nPulse System should be able to deliver faster ablations and through thicker tissue than thermal modalities because of the nonthermal mechanism of action that nsPFA employs, which is not affected by heatsinks such as blood in the heart. In preclinical and clinical studies, our nsPFA Cardiac Clamp has consistently achieved transmural ablations in less than three seconds, independent of tissue type or thickness. Moreover, thermal modalities can cause char formation on electrode surfaces which can cause gaps in the ablation lines that might lead to treatment failure. This should not be an issue with nsPFA ablation given its nonthermal nature. Also, because nsPFA ablation does not significantly impact acellular tissue, such as collagen or cartilage, our technology has the potential to offer significant safety advantages over thermal modalities by allowing surgeons to ablate near and into vessels and valves without concern of permanent damage. And finally, nsPFA ablation has been shown to spare nerves of any permanent damage, even when treated directly, which is another concern for thermal modalities. We believe these advantages will be important to cardiac surgeons, so we are working with leaders in the field to develop this technology quickly.

Over the last several years, we have been developing the cardiac ablation clamp from proof-of-concept to prototype, and we now have what we believe will be our initial commercial design. The device was designed with the input of key physicians in cardiac surgery, and we believe it will offer a highly differentiated option relative to the standard of care thermal modalities. Today, we plan to pursue a PMA application for FDA approval to market the cardiac clamp specifically as a surgical way to treat AF. Seeking an AF indication through a PMA application will require pivotal clinical data to support the application.

In July 2024, we received Breakthrough Device Designation from the FDA for our nsPFA Cardiac Surgery System for the treatment of AF. The FDA's Breakthrough Devices Program is a voluntary program for certain medical devices that potentially provide for more effective treatment or diagnosis of a life-threatening or irreversibly debilitating disease or condition. More recently, our Cardiac Surgery System was enrolled in the FDA's Total Product Life Cycle (TPLC) Advisory Program (TAP). The FDA's Center for Devices and Radiological Health (CDRH) launched the TAP program to help generate more rapid development of high-quality, safe, effective, and innovative medical devices that are critical to public health. TAP's primary goal is to expedite patient access to innovative medical devices by providing early, frequent and strategic communications with the FDA and facilitating engagement with other key parties for developers of devices of public health importance. Both programs are designed to expedite the development, assessment, and review of medical devices for premarket approval, 510(k) clearance, or de novo marketing authorization. Breakthrough Devices, even those enrolled in the FDA's TAP Program, must still meet the FDA's rigorous standards for device safety and effectiveness in order to be authorized for marketing, however.

In September 2025, we received approval of our Investigational Device Exemption (IDE) to initiate our pivotal clinical trial of the cardiac surgical clamp and clinicians have already enrolled and treated the first patient in the study. This single-arm prospective study is designed to demonstrate primary effectiveness of the nsPFA Cardiac Surgical System for the treatment of AF in concomitant surgical procedures. Up to twenty sites, including two outside the United States, are planned to enroll up to 136 patients. Upon PMA approval, we would expect to commercialize the nPulse Cardiac Surgical System in the United States specifically as a treatment for AF. Separately, we have already enrolled more than 50 patients in our first-in-human clinical feasibility study of the cardiac clamp, a multi-center study of AF in the Netherlands, Poland and Austria. All of the patients in our first-in-human study have tolerated the procedure well and acute data have been encouraging.

nPulse Cardiac Catheter System

We believe our endocardial catheter ablation device will have many of the same advantages that the surgical ablation clamp appears to have with respect to both performance and safety compared to standard thermal modalities. Our nPulse Cardiac Catheter System is uniquely designed to provide a circumferential, or circular, ablation in a single treatment cycle. We believe this will enable faster treatment times compared to what is currently performed with thermal modalities, especially when ablating around the pulmonary veins, a common treatment approach for AF.

In recent years, Pulsed Field Ablation ("PFA") has gained attention in electrophysiology for the treatment of AF because of its safety profile and speed. Current clinical products employing PFA in AF treatment differ from nsPFA technology in that the pulse widths are longer, typically in the microsecond domain. We believe nsPFA technology, which delivers pulses of electrical energy that are each less than a millionth of a second long, can offer similar safety advantages as PFA and may provide improved efficacy advantages based on the circumferential design of our catheter and because it appears nsPFA technology can create deeper ablations. We believe these advantages will be important to electrophysiologists, so we are working with leaders in the field to develop this technology quickly.

Similar to the cardiac ablation clamp, our proprietary catheter has been in development for several years and we have been working with leaders in the electrophysiology field to test the catheter in preclinical studies. After seeing encouraging preclinical results, in December 2023, we initiated a first-in-human clinical study in Prague, Czech Republic, to test our nPulse Cardiac Catheter System in patients with AF and both the acute data and initial remapping data from this study were compelling. We therefore expanded the initial clinical protocol in 2024 to include participation by two additional sites, including a clinical site in Rome, Italy, with Dr. Andrea Natale M.D., F.A.C.C., F.H.R.S., F.E.S.C., a world recognized leader in the world of electrophysiology and the current Executive Director at the Texas Cardiac Arrhythmia Institute. To date, nine clinical investigators at these European sites, including Dr. Natale and Dr. Vivek Reddy, Director of Cardiac Arrhythmia Services at the Mount Sinai Fuster Heart Hospital in New York, have enrolled and treated more than 165 patients in this first-in-human study. More recently, in February 2026, at the AF Symposium, Dr. Reddy presented 6- and 12-month follow up data for the first 150 patients from this study. These data show 96% procedural success of evaluable patients at one year as well as early indications of the disruptive market potential for our nPulse catheter, such as total procedure times in the study of approximately 65 minutes per patient.

Given the compelling data seen in the first-in-human study of our nPulse Cardiac Catheter, in July 2025, we submitted an Investigational Device Exemption (IDE) application for review by the FDA to conduct a single-arm, multicenter, prospective study designed to demonstrate primary safety and effectiveness of the nsPFA Cardiac Catheter System for the treatment of recurrent drug-resistant symptomatic paroxysmal AF. In December 2025, the FDA approved our IDE submission, and we have begun clinical site qualifications to begin enrollment. This IDE study is expected to enroll up to 155 patients at up to 30 sites, including three sites outside the United States. We continue to believe we will need PMA approval from the FDA to market and sell our catheter in the United States.

The nPulse Console

The nPulse Console is a tunable, software-enabled, console-based platform, designed to accommodate the clinical workflow preferred by physicians. The nPulse Console is configured to accept a variety of disposable applicators or electrodes across a range of clinical applications. In February 2021, we received 510(k) clearance from the FDA for the nPulse System for dermatologic procedures requiring ablation and resurfacing of the skin. In January 2021, we received Conformité Européene (“CE”) marking approval for the nPulse System, which allows for marketing of the system in the European Union (“EU”). Shortly after these regulatory clearances, we began commercializing the nPulse System in dermatology for the treatment of benign skin lesions. However, in September 2022, we announced a shift in our focus from dermatology to cardiology and soft tissue ablation. We have ceased all commercial sales efforts and marketing operations in dermatology, and in 2022 we stopped manufacturing new dermatologic treatment tips for the nPulse System. At the present time, we continue to support our remaining commercial users and remain open to a potential commercial partnership. The nPulse Console is being used for our current efforts in the treatment of AF and as part of the Vybrance Percutaneous Electrode System.

We continue to believe nsPFA ablation, as well as NPS technology more broadly, has the potential to provide superior outcomes across a variety of medical disciplines and we may seek partnership opportunities to develop additional applications.

Financing Our Business

Over the past few years, Robert Duggan, our majority stockholder and Co-Chairman, has made significant investments in our Company to fund its operations. In June 2024, for example, when we completed a rights offering of units to our existing stockholders to raise $60.0 million in aggregate, Mr. Duggan purchased approximately 88% of the shares offered through the offering. Mr. Duggan may or may not elect to participate in any number of future fundraisings by the Company, whether similar to those described above or otherwise, and he may choose to invest more than his current pro rata share in any of these fundraisings, or alternatively he may offer to provide additional debt financing as may be needed to maintain the Company as a going concern.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets, liabilities, and equity and the amount of revenues and expenses, which are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

While our significant accounting policies are described in the notes to our financial statements included elsewhere in this Annual Report on Form 10-K, we believe that the following critical accounting policies and estimates are most important to understanding and evaluating our reported financial results.

Revenue from Contracts with Customers

A contract with a customer is accounted for when the rights and obligations of the parties are identifiable, the contract has commercial substance, and the collectability of the consideration to be received from the customer is considered probable. Contracts with customers are for the sale of the nPulse Vybrance system, which includes system components, software, and system accessories. Instruments and other accessories may also be included with the system or may be sold on a standalone basis. These products are considered performance obligations to the extent they are separately identifiable from other products in the contract and when the customer can either benefit from the product on its own or with other goods or services that are readily available to the customer. We recognize revenue at a point in time when we satisfy performance obligations by transferring control of promised goods to our customers. Transfer of control is based on shipping terms as contractually negotiated. The amount of revenue recognized is equal to the consideration which we are entitled to in exchange for the promised goods, excluding any amounts assessed by government authorities for taxes which might be collected from a customer.

The transaction price is the consideration to which we expect to be entitled in exchange for providing the promised goods to customers. Though most customer orders are for a fixed amount of consideration, we evaluate the possible impact of variable consideration in determining the transaction price, in particular the possibility of future returns. Sales agreements allow for a right of return only if the product does not conform to the agreed upon quality standards or if the product was shipped due to our error. We anticipate such returns will be minimal and have made no adjustments to the transaction price for any estimated returns. The transaction price is determined at contract execution and updated each quarter for any changes in circumstances (e.g., changes in estimated return amount).

When there are multiple performance obligations present, the total transaction price shall be allocated to each of the performance obligations based upon the relative standalone selling price ("SSP") of those performance obligations. We establish SSPs based on multiple factors including prices charged by us for similar offerings, product-specific business objectives, and the estimated cost to provide the performance obligation.

Sales contracts often involve the sale and delivery of multiple products, each of which typically represent a separate performance obligation in the contract. While we sell these products on a stand-alone basis at their respective SSP, initial customer contracts will likely involve the bundling of products which will be delivered concurrently to the customer for a single price. The initial limited market release period will also include evaluation agreements with customers that allow either the customer or us to terminate the contract at any point without penalty. The termination right limits the effective contract term to the period for which the contract was not terminated. Payment terms may be extended to customers upon which we will perform a necessary credit evaluation to ensure future collectability of the outstanding balance.

Stock-Based Compensation

Our stock-based compensation programs include stock options and an employee stock purchase program. We periodically issue stock options to officers, directors, employees, and consultants for their services to the Company. Such issuances vest and expire according to terms established at the issuance date. In general, stock-based payments to officers, directors and employees, including grants of employee stock options, are recognized in the financial statements based on their grant date fair values, which are estimated using the Black-Scholes option-pricing model or Monte Carlo simulation model. We account for forfeitures as they occur. We have granted stock options with time-based, performance-based, market-based, and both market-based and performance-based vesting conditions.

For stock options with time-based and performance-based vesting conditions, the grant date fair value of each grant is determined using the Black-Scholes option pricing model which requires a number of assumptions. Each of these assumptions is subjective and generally requires significant judgment and estimation by management.

Expected Term - Our expected term represents the period that our stock-based awards are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term). We utilize this method due to lack of historical exercise data of our stock-based awards.

Expected Volatility - The computation of expected volatility was based on a calculation using the historical volatility of our common stock.

Risk-Free Interest Rate - The risk-free interest rate is based on the Treasury Constant Maturities as provided by the Federal Reserve in effect at the time of grant for periods corresponding with the expected term of option.

Expected Dividend - We have never paid dividends on our common stock and have no plans to pay dividends on our common stock. Therefore, we used an expected dividend yield of zero.

Stock-based compensation expense for stock options with time-based vesting conditions is recognized on a straight-line basis over the requisite service period, which is generally the vesting period. For stock options with performance-based vesting conditions, compensation expense is not recognized until it is probable that the performance-based vesting condition will be achieved. The analysis to determine such probability involves estimates and judgements from management related to certain financial measures and achievements of strategic and operational milestones, which involves inherent risk and uncertainty regarding the future outcomes of the milestones. If actual results are not consistent with our estimates or assumptions, we may be exposed to changes in stock-based compensation expense that could be material.

For stock options with market-based vesting conditions, the conditions relate to the achievement of certain market capitalization targets of the Company. Using a Monte Carlo simulation model, we estimated the fair value of the market-based options on the grant date or modification date, with the associated stock-based compensation expense recognized over the requisite service period. The requisite service period is the service period derived from the Monte Carlo simulation model. If the market capitalization targets are met sooner than the derived service period, the recognition of stock-based compensation expense will accelerate to reflect the cumulative expense associated with the vested shares.

For stock options with both market-based and performance-based vesting conditions, the vesting conditions relate to both the achievement of certain market capitalization targets of the Company, as well as the achievement of certain revenue and margin metrics. Using a Monte Carlo simulation model, we estimated the fair value of the market-based options on the grant date, along with a derived service period. Compensation expense for the awards is recognized over the requisite service period, which is the longer of the service period derived from the Monte Carlo simulation model or the implicit service period (the period when the performance condition is expected to be met). Compensation expense is recognized only once it becomes probable that the associated performance condition will be achieved and the employee is expected to render the requisite service. Once these criteria are met, we will recognize expense using the accelerated attribution method over the requisite service period. If, at any point, the performance condition is no longer probable of being achieved or the employee is no longer expected to complete the requisite service period, any previously recognized expense will be reversed. Additionally, if both the market and performance conditions are satisfied before the end of the requisite service period, any remaining unrecognized expense will be recognized immediately, provided that the employee is still providing service.

The Monte Carlo simulation models require us to make assumptions and judgements about the variables used in the calculations including the expected volatility, the risk-free interest rate, expected dividend yield, and the expected term. The assumptions used in the option-pricing model represent our best estimates. If factors change and different assumptions are used, our stock-based compensation expense could be materially different in the future.

Accrued Research and Development Expenses

We accrue liabilities for estimated costs of research and development activities conducted by our third-party service providers, which include the conduct of preclinical and clinical studies. We record the estimated costs of research and development activities based upon the estimated amount of services provided but not yet invoiced, and include these costs in accrued liabilities on the consolidated balance sheet and within research and development expense on the consolidated statements of operations and comprehensive loss.

We accrue for these costs based on factors, such as estimates of the work completed and budget provided and in accordance with agreements established with our third-party service providers. We make significant judgments and estimates in determining the accrued liabilities balance in each reporting period. As actual costs become known, we adjust our accrued liabilities. Changes in these estimates that result in material changes to our accruals could materially affect our financial condition and results of operations.

Results of Operations

Comparison of the Years ended December 31, 2025 and 2024

Our consolidated statements of operations as discussed herein are presented below:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**$ Change**
Revenue:			
Product revenue	$ 350	$ —	$ 350
Cost and expenses:			
Cost of product revenue	539	—	539
Research and development	44,721	32,336	12,385
Selling, general and administrative	32,029	23,921	8,108
Total cost and expenses	77,289	56,257	21,032
Loss from operations	(76,939)	(56,257)	(20,682)
Other income (expense):			
Interest income	4,210	2,690	1,520
Other expense	(52)	(18)	(34)
Total other income	4,158	2,672	1,486
Net loss	$ (72,781)	$ (53,585)	$ (19,196)

Revenue

Product revenue was $0.4 million for the year ended December 31, 2025. There was no revenue for the year ended December 31, 2024. The total revenue generated was in connection with the limited market release commercial sales of the Vybrance Percutaneous Electrode System with the first commercial sale occurring in the third quarter of 2025.

Cost of Product Revenue

Cost of product revenue was $0.5 million for the year ended December 31, 2025. There was no cost of product revenue for the year ended December 31, 2024.

Research and Development

Research and development expenses consist of compensation and other employee-related expenses for research and development personnel, clinical trials and consulting costs related to the design, development and enhancement of our potential future products, prototype material and devices.

Research and development expenses increased by $12.4 million to $44.7 million for the year ended December 31, 2025, compared to $32.3 million for the year ended December 31, 2024, primarily due to increases of $5.5 million in paid services and external research, $3.3 million in stock-based compensation, $2.8 million in compensation and other employee-related expenses, and $0.7 million in supplies.

Selling, General and Administrative

Selling, general and administrative expenses consist of compensation and other employee-related expenses for sales, marketing, executives, finance, legal, human resources, information technology, and administrative personnel, professional fees, patent fees and costs, insurance costs and other general corporate expenses.

Selling, general and administrative expenses increased by $8.1 million to $32.0 million for the year ended December 31, 2025, compared to $23.9 million for the year ended December 31, 2024, primarily due to increases of $4.5 million in stock-based compensation, $4.2 million in compensation and other employee-related expenses, $1.9 million in paid services and administrative costs, partially offset by a decrease of $2.5 million in severance costs and legal settlement.

Interest Income

Interest income increased by $1.5 million to $4.2 million for the year ended December 31, 2025, compared to $2.7 million for the year ended December 31, 2024, driven by increased returns on higher cash balances held during 2025 relative to 2024 due to the 2024 Rights Offering.

Liquidity and Capital Resources

We have funded our business primarily through the issuance of equity securities and debt. To date, we have generated only limited revenue from product sales and we have incurred significant operating losses each year since our inception. Because we intend to continue our investments into new product research and development and the capabilities needed to commercialize our nPulse Vybrance Percutaneous Electrode System, we expect to continue to incur additional losses for the next several years. Accordingly, to fund our business, we may utilize some combination of public or private equity offerings, debt financings, or potential new revenue-generating collaborations with one or more investors or strategic partners. Over the past few years, Robert Duggan, our majority stockholder and Co-Chairman, has made significant investments in our Company to fund its operations. Mr. Duggan may or may not elect to participate in any number of future fundraisings by the Company, whether similar to those described herein or otherwise, or alternatively he may offer to provide additional debt financing as may be needed to maintain the Company as a going concern.

As of December 31, 2025, we had cash and cash equivalents of $80.7 million. We believe that our existing cash and cash equivalents will be sufficient to fund our projected operating requirements for at least the next twelve months from the filing date of this Annual Report on Form 10-K. However, we plan to raise additional capital in the near future. These expectations are based on our current operating and financing plans which are subject to change. The source, timing and availability of any future financing will depend largely upon market conditions and perceived progress in the Company's commercialization efforts, on-going product development initiatives, as well as future clinical and regulatory developments concerning the nPulse System and our other NPS-based technologies. There can be no assurance, however, that any additional financing or any revenue-generating collaboration will be available when needed or that we will be able to obtain financing or enter into a collaboration on terms acceptable to us. Lack of necessary funds may require us to, among other things, delay, scale back or eliminate some or all of our commercial activities, reduce headcount, trim research and product development programs, discontinue clinical trials, stop all or some of our manufacturing operations, defer capital expenditures, deregister from being a publicly traded company and delist from Nasdaq, or license our potential products or technologies to third parties, possibly on terms that cannot sustain our current business. In addition, global economic instability caused by armed conflicts, tariffs and interest rates, together with other market factors, could have an adverse impact on potential sources of future financing.

On July 3, 2024, we announced the closing of our 2024 Rights Offering. The 2024 Rights Offering resulted in the sale of six million 2024 Units, at a price of $10.00 per 2024 Unit. Each 2024 Unit consisted of one share of our common stock, par value $0.001 per share, and two warrants, each being a warrant to purchase one-half of one share of common stock. The common stock and warrants comprising the 2024 Units separated upon the closing of the 2024 Rights Offering and were issued individually. Upon the closing of the offering, we issued a total of 5,999,998 shares of common stock and warrants to acquire up to approximately an additional six million shares of common stock, at an exercise price of $11 per whole share, and we received aggregate gross proceeds of $60 million. Robert W. Duggan, the Company's majority stockholder and Co-Chairman, purchased approximately 88% of the units offered through the 2024 Rights Offering. Half of the warrants issued in the rights offering were redeemable by us if our volume-weighted average price ("VWAP") exceeded 150% of the exercise price, or $16.50, for twenty consecutive trading days. In December 2024, we delivered an irrevocable notice of redemption to redeem this first tranche of common stock warrants because the VWAP of our common stock over the twenty consecutive trading days before the notice was $18.85. Then, in February 2025, we redeemed 18,221 warrants, specifically the ones subject to the 150% redemption feature, on the announced redemption date. The other half of the warrants issued in the 2024 Rights Offering are redeemable by us if our VWAP exceeds 200% of the exercise price, or $22.00, for twenty consecutive trading days. As of December 31, 2025, there were no outstanding 2024 Rights Offering Warrants subject to the 150% redemption feature and there were 405,624 outstanding 2024 Rights Offering Warrants subject to the 200% redemption feature, entitling holders to purchase up to approximately 202,812 shares of common stock. During the year ended December 31, 2025, we have received a total of $14.1 million in gross proceeds from exercises of the 2024 Rights Offering Warrants. Cumulatively, as of December 31, 2025, we have received a total of $63.6 million in gross proceeds from exercises of the 2024 Rights Offering Warrants.

Furthermore, from time to time, we may raise additional equity or debt capital through private offerings of securities or through registered offerings of securities, such as offerings of debt or equity off of a shelf registration statement, including "at-the-market" offerings of common stock. In April 2024, we filed a shelf registration statement on Form S-3 with the SEC, which the SEC declared effective on April 8, 2024. Through this shelf registration statement we may, from time to time, sell up to an aggregate of $50 million worth of our common stock, preferred stock, debt securities, depositary shares, warrants, subscription rights, purchase contracts, or units, of which shelf approximately $50 million remains available for sale as of December 31, 2025. Under this shelf registration statement, in July 2024, we established an at-the-market offering program with Canaccord Genuity LLC and Needham & Company, LLC, as sales agents, in the amount of up to $60 million. However, in February 2026, we terminated this ATM program and instead entered into an at-the-market offering program with TD Cowen, as sales agent, in the amount of up to $60 million, of which approximately $60 million remains available. To the extent we raise additional capital through the sale of equity or convertible debt securities, the issuance of such securities will result in dilution to our stockholders.

Cash Flows

Our consolidated statements of cash flows as discussed herein are presented below:

	Year Ended December 31,	
(in thousands)	**2025**	**2024**
Net cash and cash equivalents (used in) provided by:		
Operating activities	$ (54,122)	$ (36,343)
Investing activities	(335)	(125)
Financing activities	17,154	110,141
Net (decrease) increase in cash and cash equivalents	$ (37,303)	$ 73,673

Operating Activities

For the year ended December 31, 2025, net cash used in operating activities was $54.1 million, which consisted of a net loss of $72.8 million and a net change of $5.0 million in net operating assets and liabilities, partially offset by $23.7 million in non-cash charges. The net change in our operating assets and liabilities was due to a net decrease in liabilities of $3.7 million and a net increase in assets of $1.3 million. Non-cash charges consisted of stock-based compensation of $21.5 million, lease expense of $1.1 million, and depreciation and amortization of $1.1 million.

For the year ended December 31, 2024, net cash used in operating activities was $36.3 million, which consisted of a net loss of $53.6 million, partially offset by $15.7 million in non-cash charges and a net change of $1.5 million in net operating assets and liabilities. Non-cash charges primarily consisted of stock-based compensation of $13.6 million, depreciation and amortization of $1.2 million, and lease expense of $0.9 million. The net change in our operating assets and liabilities was due to a net increase in liabilities of $1.9 million offset by a net increase in assets of $0.4 million.

Investing Activities

For the year ended December 31, 2025, cash used in investing activities was $0.3 million, which was primarily for the purchase of property and equipment.

For the year ended December 31, 2024, cash used in investing activities was $0.1 million, which was for the purchase of property and equipment.

Financing Activities

For the year ended December 31, 2025, cash provided from financing activities was $17.1 million, primarily due to $14.1 million of proceeds from the exercise of common stock warrants, $2.5 million of proceeds from the exercise of stock options, and $0.6 million from the sale of stock under our employee stock purchase plan.

For the year ended December 31, 2024, cash provided from financing activities was $110.1 million, primarily due to $59.6 million of net proceeds from the 2024 Rights Offering, $49.4 million of proceeds from the exercise of common stock warrants, $0.9 million of proceeds from the exercise of stock options, and $0.5 million from the sale of stock under our employee stock purchase plan, offset by $0.3 million of deferred issuance costs in relation to a future at-the-market equity offering.

Contractual Obligations

Operating Leases

We currently lease approximately 50,300 square feet of premises located in Hayward, California, which is used for our principal operating facility. The lease term is through October 2029.

In November 2024, we leased approximately 2,000 square feet of premises located in Miami, Florida, which is used for our corporate headquarters. The lease term is through April 2030.

The following table summarizes our contractual obligations as of December 31, 2025 (in thousands):

	Payments Due by Period			
(in thousands)	**Total**	**Less Than 1 Year**	**1 to 3 Years**	**3 to 5 Years**
Operating leases	$ 9,044	$ 2,221	$ 4,673	$ 2,150

Off-Balance Sheet Arrangements

As of December 31, 2025, we did not have any transactions, obligations or relationships that constitute off-balance sheet arrangements.

In the ordinary course of business, we enter into standard indemnification arrangements. Pursuant to these arrangements, we indemnify, hold harmless, and agree to reimburse the indemnified parties for losses suffered or incurred by the indemnified party in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third party with respect to its technology, or from claims relating to our performance or non-performance under a contract. The maximum potential amount of future payments we could be required to make under these agreements is not determinable because it involves claims that may be made against us in future periods, but have not yet been made. To date, we have not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

We also enter and have entered into indemnification agreements with our directors and officers that may require us to indemnify them against liabilities that arise by reason of their status or service as directors or officers, except as prohibited by applicable law. In addition, we may have obligations to hold harmless and indemnify third parties involved with our fundraising efforts and their respective affiliates, directors, officers, employees, agents or other representatives against any and all losses, claims, damages and liabilities related to claims arising against such parties pursuant to the terms of agreements entered into between us and such third parties in connection with such fundraising efforts. To date, we have not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

Trends, Events and Uncertainties

Research and development of new technologies are, by their nature, unpredictable. Although we undertake development efforts with commercially reasonable diligence, there can be no assurance that the net proceeds from our financings will be sufficient to enable us to develop our technology to the extent needed to generate future sales to sustain our operations. If we do not continue to have enough funds to sustain our operations, we will consider other options to continue the research and development of our technology, including, but not limited to, additional financing through follow-on stock offerings, debt financings, or co-development agreements and /or other alternatives.

We cannot assure investors that our technology will be adopted or that we will ever achieve sustainable revenue sufficient to support our operations. Even if we are able to generate revenue, there can be no assurances that we will be able to achieve profitability or positive operating cash flows. There can be no assurances that we will be able to secure additional financing in the future on acceptable terms or at all. If our technology cannot be used to successfully treat AF, tumors and nodules, or if our cash resources are insufficient to satisfy our ongoing cash needs, we would be required to, among other things, delay, scale back or eliminate some or all of our activities, reduce headcount, trim research and product development programs, discontinue clinical trials, stop all or some of our manufacturing operations, defer capital expenditures, deregister from being a publicly traded company and delist from Nasdaq, license our potential products or technologies to third parties, possibly on terms that cannot sustain our current business, or curtail, suspend or discontinue our operations entirely.

Other than as discussed above and elsewhere in this Annual Report, we are not currently aware of any trends, events or uncertainties that are likely to have a material effect on our financial condition in the near term, although it is possible that new trends or events may develop in the future that could have a material effect on our financial condition.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates.

Interest Rate and Market Risk

Our exposure to interest rate and market risk is confined to our cash and cash equivalents, all of which have maturities of less than one year. The goals of our investment policy are preservation of capital, fulfillment of liquidity needs and fiduciary control of our cash and cash equivalents. To achieve our goals, we may maintain a portfolio of cash equivalents in a money market fund of high credit quality. The money market fund is classified as available-for-sale and subject to minimal interest rate risk. We currently do not hedge interest rate exposure. Because of the short-term maturities of our cash equivalents, we do not believe that a hypothetical 10% change in market interest rates would have a material negative impact on the value of our cash equivalents. As of December 31, 2025, we did not hold any investments.

Foreign Exchange Risk

The majority of our expense and capital purchasing activities are transacted in U.S. dollars. While we currently have limited international operations, we may incur foreign exchange gains or losses in the future as we further commercialize and expand internationally.

Item 8. Financial Statements and Supplementary Data

PULSE BIOSCIENCES, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Pulse Biosciences, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Pulse Biosciences, Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows , for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the 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 each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Stockholders' Equity and Stock-Based Compensation –Market-based Options - Refer to Notes 2 and 10 to the financial statements

Critical Audit Matter Description

During 2025, the Company issued certain stock options with market-based vesting conditions. The vesting conditions relate to the achievement of certain market capitalization targets of the Company. Using a Monte Carlo simulation model, the Company estimates the fair value of the market-based options on the grant date, with the associated stock-based compensation expense recognized over the requisite service period. The requisite service period is the service period derived from the Monte Carlo simulation model. The determination of the fair value of market-based options is estimated using the expected volatility, the risk-free interest rate, expected dividend yield, and the expected term.

Given the significant judgments made by management to determine the grant date fair value of the market-based options, audit procedures required a high degree of subjective auditor judgment necessary in evaluating the Monte Carlo simulation model and the expected volatility used and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the valuation of market-based options granted included the following, among others:

- We inspected stock option agreements and Board of Directors minutes to evaluate key terms and conditions of the market-based options granted.
- We tested the accuracy and completeness of the market-based options granted during the year by agreeing the underlying inputs, such as grant date, exercise price, and vesting conditions, among others, back to source documents, such as Board of Directors minutes and stock option agreements.
- With the assistance of our fair value specialists, we evaluated management's valuation of the market-based options by:
  - Evaluating the Monte Carlo simulation model and the reasonableness of the valuation assumptions, including the expected volatility.
  - Independently calculating a fair value estimate for the market-based options and comparing our estimate to the Company's estimate.

/s/ Deloitte & Touche LLP

San Francisco, California
February 19, 2026

We have served as the Company's auditor since 2018.

PULSE BIOSCIENCES, INC.
Consolidated Balance Sheets
(in thousands, except share and per share data)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 80,735	$ 118,038
Accounts receivable	274	—
Inventory	136	—
Prepaid expenses and other current assets	2,276	1,411
Total current assets	83,421	119,449
Property and equipment, net	1,051	1,160
Intangible assets, net	575	1,220
Goodwill	2,791	2,791
Right-of-use assets	6,010	7,163
Other assets	691	677
Total assets	$ 94,539	$ 132,460
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 2,777	$ 1,673
Accrued liabilities	3,576	7,027
Lease liability, current	1,570	1,355
Total current liabilities	7,923	10,055
Lease liability, less current portion	5,960	7,543
Total liabilities	13,883	17,598
Stockholders' equity:		
Preferred stock, $0.001 par value; authorized – 50,000,000 shares; no shares issued and outstanding	—	—
Common stock, $0.001 par value; authorized – 500,000,000 shares; issued and outstanding – 67,839,689 shares and 65,925,503 shares as of December 31, 2025 and 2024, respectively	68	66
Additional paid-in capital	543,869	505,296
Accumulated deficit	(463,281)	(390,500)
Total stockholders' equity	80,656	114,862
Total liabilities and stockholders' equity	$ 94,539	$ 132,460

See accompanying notes to the consolidated financial statements.

PULSE BIOSCIENCES, INC.
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share data)

	Year Ended December 31,	
	2025	**2024**
Revenue:		
Product revenue	$ 350	$ —
Cost and expenses:		
Cost of product revenue	539	—
Research and development	44,721	32,336
Selling, general and administrative	32,029	23,921
Total cost and expenses	77,289	56,257
Loss from operations	(76,939)	(56,257)
Other income (expense):		
Interest income	4,210	2,690
Other expense	(52)	(18)
Total other income	4,158	2,672
Net loss	(72,781)	(53,585)
Comprehensive loss	$ (72,781)	$ (53,585)
Net loss per share, basic and diluted	$ (1.08)	$ (0.92)
Weighted average common shares outstanding, basic and diluted	67,395,339	58,397,597

See accompanying notes to the consolidated financial statements.

PULSE BIOSCIENCES, INC.
Consolidated Statements of Stockholders' Equity
(in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance, December 31, 2023	55,144,374	$ 55	$ 381,220	$ (336,915)	$ 44,360
Issuance of common stock and warrants in connection with rights offering, net of issuance costs	5,999,998	6	59,630	—	59,636
Issuance of common stock upon exercise of warrants, net of issuance costs	4,501,447	5	49,511	—	49,516
Issuance of common stock upon exercise of stock options	160,847	—	871	—	871
Issuance of common stock under employee stock purchase plan	117,539	—	478	—	478
Issuance of shares in at-the-market offering, net of issuance costs	1,298	—	—	—	—
Issuance of equity-classified subscription rights as part of rights offering (Note 9)	—	—	47,700	—	47,700
Rights offering deemed pro-rata distribution to shareholders (Note 9)	—	—	(47,700)	—	(47,700)
Stock-based compensation expense	—	—	13,586	—	13,586
Net loss	—	—	—	(53,585)	(53,585)
Balance, December 31, 2024	65,925,503	$ 66	$ 505,296	$ (390,500)	$ 114,862
Issuance of common stock upon exercise of warrants, net of issuance costs	1,277,377	1	14,031	—	14,032
Issuance of common stock upon exercise of stock options	592,612	1	2,499	—	2,500
Issuance of common stock under employee stock purchase plan	44,197	—	586	—	586
Stock-based compensation expense	—	—	21,457	—	21,457
Net loss	—	—	—	(72,781)	(72,781)
Balance, December 31, 2025	67,839,689	$ 68	$ 543,869	$ (463,281)	$ 80,656

See accompanying notes to the consolidated financial statements.

PULSE BIOSCIENCES, INC.
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	$ (72,781)	$ (53,585)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	406	512
Amortization of intangible assets	665	666
Stock-based compensation	21,457	13,586
Non-cash lease expense	1,153	923
Loss on disposal of fixed assets	—	6
Changes in operating assets and liabilities:		
Accounts receivable	(274)	—
Inventory	(136)	—
Prepaid expenses and other current assets	(912)	(355)
Other non-current assets	(14)	(31)
Accounts payable	1,132	(201)
Accrued liabilities	(3,450)	3,212
Lease liabilities, net	(1,368)	(1,076)
Net cash used in operating activities	(54,122)	(36,343)
Cash flows from investing activities:		
Purchases of property and equipment	(315)	(125)
Purchases of intangible assets	(20)	—
Net cash used in investing activities	(335)	(125)
Cash flows from financing activities:		
Proceeds from issuance of common stock under employee stock purchase plan	586	478
Proceeds from exercises of warrants, net of issuance costs	14,081	49,424
Proceeds from exercises of stock options	2,487	871
Proceeds from issuance of common stock and warrants in relation to rights offering, net of issuance costs	—	59,649
Payment of deferred issuance costs in relation to at-the-market equity offering program	—	(281)
Net cash provided by financing activities	17,154	110,141
Net (decrease) increase in cash and cash equivalents	(37,303)	73,673
Cash and cash equivalents at beginning of period	118,038	44,365
Cash and cash equivalents at end of period	$ 80,735	$ 118,038
Supplemental disclosure of noncash investing and financing activities:		
Proceeds from exercise of warrants and stock options not yet received	$ 45	$ 92
Unpaid warrant issuance costs	$ 2	$ 13
Unpaid amounts related to purchase of equipment	$ 8	$ 26
Rights offering deemed pro-rata distribution to shareholders	$ —	$ 47,700
Right-of-use asset obtained in exchange for lease liability	$ —	$ 830

See accompanying notes to the consolidated financial statements.

PULSE BIOSCIENCES, INC.
Notes to Consolidated Financial Statements

1. Description of the Business

Pulse Biosciences, Inc. is a novel ablation company committed to health innovation using its patented Nano-pulse Stimulation ("NPS") technology, a revolutionary energy modality that delivers nanosecond-duration pulses of electrical energy, each less than a millionth of a second long, to nonthermally clear or kill targeted cells. NPS technology, also referred to as a Nanosecond Pulsed-Field Ablation ("nsPFA") energy when used to ablate cellular tissue, can be used to treat a variety of medical conditions for which an optimal solution remains unfulfilled. The Company developed its proprietary nPulse System (formerly known as CellFX), a novel nsPFA delivery platform, and commercialized the initial application of its nsPFA energy to treat benign lesions of the skin. In parallel, the Company has designed a variety of applicators, or disposables, to explore the potential use of the nPulse platform to treat disorders in other medical specialties, such as cardiology, gastroenterology, gynecology, and otolaryngology. These applicators include devices for open surgical procedures, endoscopic or minimally invasive procedures, and endoluminal catheters, and each has been used in preclinical studies. Based on its preclinical experience and the potential to significantly improve outcomes for patients in a large and growing market, the Company decided in 2022 to focus its primary efforts on the use of nsPFA energy and the nPulse platform in the treatment of atrial fibrillation ("AF"), and in a select few other markets where it could have a profound positive impact on healthcare for both patients and providers, such as surgical soft tissue ablation.

The Company is incorporated in the State of Delaware. It is located in Miami, Florida and continues to maintain its offices in Hayward, California. The Company maintains its website at www.pulsebiosciences.com where general information about the Company is available.

Liquidity and Capital Resources

The Company has incurred net operating losses and negative cash flows from operations since its inception and had an accumulated deficit of $463.3 million as of December 31, 2025. As of December 31, 2025, the Company had cash and cash equivalents of $80.7 million. The Company believes that the existing financial resources are sufficient to continue operating activities at least one year past the issuance date of these consolidated financial statements.

The Company has historically financed its operations primarily through the sale of common stock and debt. To date, the Company has generated limited revenue from product sales and has incurred significant operating losses in each year since inception. The Company may continue to incur additional losses for the next several years.

While the Company has been able to raise multiple rounds of financing, there can be no assurance that in the event the Company requires additional financing, such financing will be available on terms which are favorable or at all. Failure to raise sufficient capital when needed or generate sufficient cash flow from operations would impact the ability to pursue business strategies and could require the Company to delay, scale back or discontinue one or more product development programs, or other aspects of the Company's business objectives.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the United States Securities Exchange Commission (the "SEC"). The consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiaries and intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Company to make estimates that affect the amounts reported in the financial statements and accompanying notes to the financial statements. Estimates include, but are not limited to, the valuation and recognition of stock-based compensation, the valuation of equity-classified subscription rights, inventory valuation, income taxes, and the useful lives assigned to long-lived assets. The Company evaluates its estimates and assumptions based on historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ materially from these estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents. The Company places its cash equivalents with high credit quality financial institutions and, by policy, limits the amounts invested with any one financial institution or issuer. Deposits held with banks may exceed the amount of insurance provided on such deposits. The Company has not experienced any losses since inception.

Fair Value of Financial Instruments

The Company applies fair value accounting for all financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is 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. 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 liability. As a basis for considering such assumptions, a three-tier fair value hierarchy has been established, which prioritizes the inputs used in measuring fair value as follows:

Level 1—Observable inputs, such as quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Financial instruments carried at fair value include cash and cash equivalents. The carrying amounts of accounts receivable, prepaid expenses and other current assets, accounts payable and accrued liabilities approximate fair value due to their relatively short maturities.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less from the date of purchase to be cash and cash equivalents. Cash equivalents consist primarily of amounts invested in money market funds and are stated at fair value.

Accounts Receivable

Accounts receivable are recorded at invoice value, net of any allowance for credit losses. The allowance for doubtful accounts is based on the Company's assessment of the collectability of customer accounts. The Company's expected loss allowance methodology for receivables considers factors such as historical collection experience, credit quality, age of the accounts receivable balances, and current economic conditions that may affect a customer's ability to pay. Specific allowance amounts are established to record the appropriate allowance for customers that have an identified risk of default. Balances are written off when they are ultimately determined to be uncollectible. The Company had no allowance for doubtful accounts as of December 31, 2025 and 2024.

Inventory

Inventory is stated at the lower of cost or net realizable value and based on standard costs approximating the purchase costs on a first-in, first-out basis. Inventory costs include direct materials, direct labor, and normal manufacturing overhead. The cost basis of the Company's inventory is reduced for any products that are considered excessive or obsolete based upon assumptions about future demand and market conditions. Additionally, the cost basis of the Company's inventory does not include any fixed overhead costs associated with abnormally low utilization of its manufacturing facility.

During the year ended December 31, 2025, the Company determined that costs had future economic benefit subsequent to receiving FDA approval, and as such, it began to capitalize inventory for its limited market release of percutaneous electrodes for its Vybrance Percutaneous Electrode System. Prior to capitalizing inventory, all direct and indirect manufacturing costs were charged to research and development expenses in the period incurred or written off as excess and obsolete inventory in 2022, including previously manufactured consoles.

Property and Equipment

Property and Equipment is recorded at cost and depreciated using the straight-line method over their estimated useful lives, ranging from three to five years. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or estimated useful life. Upon the sale or retirement of property and equipment, the costs and related accumulated depreciation and amortization are removed from the consolidated balance sheet and the resulting gain or loss is reflected in operating expenses. Maintenance and repairs are charged to operations as incurred.

Intangible Assets

The Company's intangible assets consist of acquired patents and licenses, which are amortized over their estimated useful lives of twelve years.

Impairment of Long-Lived Assets

The Company reviews long-lived assets, consisting of property and equipment and intangible assets, for impairment during each fiscal year or when events or changes in circumstances indicate the carrying value of these assets may exceed their current fair values. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. No impairment losses were incurred during the periods presented.

Goodwill

The Company records goodwill when the consideration paid in a business acquisition exceeds the fair value of the net tangible assets and the identified intangible assets acquired. The Company reviews goodwill for impairment at the reporting unit level, of which there is one reportable unit, at least annually or whenever changes in circumstances indicate that the carrying value of the goodwill may not be recoverable. To date, there has been no impairment of goodwill.

Revenue from Contracts with Customers

The Company accounts for a contract with a customer when the rights and obligations of the parties are identifiable, the contract has commercial substance, and the collectability of the consideration to be received from the customer is considered probable. Contracts with customers are for the sale of the nPulse Vybrance system, which includes system components, software, and system accessories. Instruments and other accessories may also be included with the system or may be sold on a standalone basis. These products are considered performance obligations to the extent they are separately identifiable from other products in the contract and when the customer can either benefit from the product on its own or with other goods or services that are readily available to the customer.

The Company recognizes revenue at a point in time when it satisfies performance obligations by transferring control of promised goods to its customers. Transfer of control occurs based on shipping terms as contractually negotiated. The amount of revenue recognized is equal to the consideration to which the Company expects to be entitled in exchange for the promised goods. Though some products may be sold on a stand-alone basis, initial customer contracts will likely involve the bundling of products which will be delivered concurrently to the customer for a single price. The initial limited market release period will also include evaluation agreements with customers that allow either the Company or the customer to terminate the contract at any point without penalty. The termination right limits the effective contract term to the period for which the contract was not terminated. The Company generally extends payment terms to customers after the Company performs a necessary credit evaluation to ensure future collectability of the outstanding balance. Payment generally occurs within a relatively short period of time after delivery of products.

The transaction price is the consideration to which the Company expects to be entitled in exchange for providing the promised goods to customers. Though most customer orders are for a fixed amount of consideration, the Company evaluates the possible impact of variable consideration in determining the transaction price, in particular the possibility of future returns. Sales agreements allow for a right of return only if the product does not conform to the agreed upon quality standards or if the product was shipped due to Company error. The Company anticipates such returns will be minimal and has made no adjustments to the transaction price for any estimated returns. The transaction price is determined at contract execution and updated each quarter for any changes in circumstances (e.g., changes in estimated return amount).

The Company has made an accounting policy election to exclude from the measurement of the transaction price all taxes which are imposed on and concurrent with a specific revenue-producing transaction and collected by the entity from a customer.

When there are multiple performance obligations present, the total transaction price shall be allocated to each of the performance obligations based upon the relative standalone selling price ("SSP") of those performance obligations. The Company establishes SSPs based on multiple factors including prices charged by the Company for similar offerings, product-specific business objectives, and the estimated cost to provide the performance obligation.

Shipping and handling activities are not considered to be a separate performance obligation. The Company has made an accounting policy election to account for shipping and handling activities as fulfillment activities when these activities occur after the customer obtains control of the product.

The Company has determined that certain promises in the multiple-element arrangements, such as installation, training, and certain ancillary products, are immaterial in the context of the contract and do not represent separate performance obligations to which transaction price is allocated.

The Company utilizes the practical expedient under ASC 606 and does not disclose unsatisfied performance obligations for contracts as the contracts generally have an original duration of less than one year. Additionally, the Company does not currently have significant contract assets or deferred revenue.

The Company does not incur contract origination costs.

Research and Development Expenses

Research and development expenses consist primarily of compensation expenses, fees paid to consultants and outside service providers and organizations (including university research institutes), costs associated with clinical trials, development prototypes and other expenses relating to the acquisition, design, development and testing of the Company's product candidates, and certain facilities related costs. Research and development expenses incurred by the Company are expensed as incurred.

Accrued Research and Development Expenses

The Company accrues liabilities for estimated costs of research and development activities conducted by its third-party service providers, which include the conduct of preclinical and clinical studies. The estimated costs of research and development activities are recorded based upon the estimated amount of services provided but not yet invoiced, and these costs are included in accrued liabilities on the consolidated balance sheets and within research and development expense on the consolidated statements of operations and comprehensive loss.

These costs are accrued based on factors such as estimates of the work completed and budget provided and in accordance with agreements established with third-party service providers. Significant judgments and estimates are made in determining the accrued liabilities balance in each reporting period. Accrued liabilities are adjusted as actual costs become known. Changes in these estimates that result in material changes to the Company's accruals could materially affect its financial condition and results of operations. There have not been any material differences between accrued costs and actual costs incurred since the Company's inception.

Patent Expenses

The Company is the owner of numerous domestic and foreign patents. Due to the significant uncertainty associated with the successful development of one or more commercially viable products based on the Company's research efforts and any related patent applications, patent costs not related to acquired patents, including patent-related legal fees, filing fees and other costs, including internally generated costs, are expensed as incurred. During both of the years ended December 31, 2025 and 2024, patent expenses totaled $0.5 million, respectively. Patent expenses are included in selling, general and administrative expenses in the consolidated statements of operations and comprehensive loss.

Stock-Based Compensation

The Company's stock-based compensation programs include stock options and an employee stock purchase program. The Company periodically issues stock options to officers, directors, employees, and consultants for services rendered. Such issuances vest and expire according to terms established at the issuance date. In general, stock-based payments to officers, directors and employees, including grants of employee stock options, are recognized in the financial statements based on their grant date fair values, which are estimated using the Black-Scholes option-pricing model or the Monte Carlo simulation model. The Company accounts for forfeitures as they occur. The Company has granted stock options with time-based, performance-based, market-based, and both market-based and performance-based vesting conditions.

For stock options with time-based and performance-based vesting conditions, the grant date fair value of each grant is determined using the Black-Scholes option pricing model which requires a number of assumptions. Each of these assumptions is subjective and generally requires significant judgment and estimation by management.

Expected Term - The Company's expected term represents the period that the Company's stock-based awards are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term). The Company utilizes this method due to lack of historical exercise data of the Company's stock-based awards.

Expected Volatility - The computation of expected volatility was based on a calculation using the historical volatility of the Company's common stock.

Risk-Free Interest Rate - The risk-free interest rate is based on the Treasury Constant Maturities as provided by the Federal Reserve in effect at the time of grant for periods corresponding with the expected term of option.

Expected Dividend - The Company has never paid dividends on its common stock and has no plans to pay dividends on its common stock. Therefore, the Company used an expected dividend yield of zero.

Stock-based compensation expense for stock options with time-based vesting conditions is recognized on a straight-line basis over the requisite service period, which is generally the vesting period. For stock options with performance-based vesting conditions, the Company does not recognize compensation expense until it is probable that the performance-based vesting condition will be achieved. The analysis to determine such probability involves estimates and judgements from management related to certain financial measures and achievements of strategic and operational milestones, which involve inherent risk and uncertainty regarding the future outcomes of the milestones. If actual results are not consistent with the Company's estimates or assumptions, the Company may be exposed to changes in stock-based compensation expense that could be material.

For stock options with market-based vesting conditions, the conditions relate to the achievement of certain market capitalization targets of the Company. Using a Monte Carlo simulation model, the Company estimated the fair value of the market-based options on the grant date or modification date, with the associated stock-based compensation expense recognized over the requisite service period. The requisite service period is the service period derived from the Monte Carlo simulation model. If the market capitalization targets are met sooner than the derived service period, the Company will accelerate the recognition of stock-based compensation expense to reflect the cumulative expense associated with the vested shares.

For stock options with both market-based and performance-based vesting conditions, the conditions relate to both the achievement of certain market capitalization targets of the Company, as well as the achievement of certain revenue and margin metrics. Using a Monte Carlo simulation model, the Company estimated the fair value of the market-based options on the grant date, along with a derived service period. Compensation expense for the awards is recognized over the requisite service period, which is the longer of the service period derived from the Monte Carlo simulation model or the implicit service period (the period when the performance condition is expected to be met). Compensation expense is recognized only once it becomes probable that the associated performance condition will be achieved and the employee is expected to render the requisite service. Once these criteria are met, the Company will recognize expense using the accelerated attribution method over the requisite service period. If, at any point, the performance condition is no longer probable of being achieved or the employee is no longer expected to complete the requisite service period, any previously recognized expense will be reversed. Additionally, if both the market and performance conditions are satisfied before the end of the requisite service period, any remaining unrecognized expense will be recognized immediately, provided that the employee is still providing service.

The Monte Carlo simulation models require the Company to make assumptions and judgements about the variables used in the calculations including the expected volatility, the risk-free interest rate, expected dividend yield, and the expected term. The assumptions used in the option-pricing model represent management’s best estimates. If factors change and different assumptions are used, the Company's stock-based compensation expense could be materially different in the future.

Income Taxes

The Company accounts for income taxes using the liability method, whereby deferred tax asset and liability account balances are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance when it is more likely than not that some portion, or all of the Company’s deferred tax assets will not be realized.

The Company accounts for income tax contingencies using a benefit recognition model. If it considers that a tax position is more likely than not to be sustained upon audit, based solely on the technical merits of the position, it recognizes the benefit. The Company measures the benefit by determining the amount that is greater than 50% likely of being realized upon settlement, presuming that the tax position is examined by the appropriate taxing authority that has full knowledge of all relevant information. The Company is subject to taxation in the United States federal jurisdiction, and various state jurisdictions. The net operating loss and research and development credit carryforwards that are available for utilization in future years may be subject to examination by federal and state tax authorities. The Company’s policy is to recognize interest expense and penalties related to income tax matters as a component of income tax expense. As of December 31, 2025 and 2024, there were no significant accruals for interest related to unrecognized tax benefits or tax penalties.

Comprehensive Loss

The Company displays comprehensive loss, and if applicable its components, as part of the consolidated statements of operations and comprehensive loss.

Net Loss Per Share

The Company calculates basic net loss per share by dividing net loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by giving effect to all potential dilutive common stock equivalents outstanding during the period. Potential common shares that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted net loss per share.

Reclassification

Certain reclassifications have been made to the prior period presentation of the cash flows from operating activities within the consolidated statements of cash flows to conform to current period presentation. Specifically, the presentation of operating lease expenses has been reclassified from “Right-of-use assets” within “Changes in operating assets and liabilities” to “Non-cash lease expense” within “Adjustments to reconcile net loss to net cash used in operating activities”. Additionally, certain reclassifications have been made to the prior period presentation of other income within the consolidated statements of operations and comprehensive loss to conform to current period presentation. Specifically, the presentation of "Other expense" has been reclassified out of "Interest income, net." As a result of these changes, the presentation of these expenses in the comparative periods has been changed to conform to the current period. These reclassifications did not have an impact on the Company’s results of operations and total cash flows from operating activities for the years ended December 31, 2025 and 2024, respectively, or the Company's financial position as of December 31, 2025 and 2024, respectively.

Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures.* This ASU requires greater disaggregation of information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. This ASU applies to all entities subject to income taxes and is intended to help investors better understand an entity's exposure to potential changes in jurisdictional tax legislation and assess income tax information that affects cash flow forecasts and capital allocation decisions. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company adopted this ASU retrospectively in the fiscal year ended December 31, 2025. See Note 12 for further details.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which aims to improve the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. The guidance is effective for the Company's annual periods beginning in 2027 and interim periods beginning in the first quarter of fiscal year 2028. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements and related disclosures.

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 to measure credit losses on current accounts receivable and current contract assets under Accounting Standards Codification 606, Revenue from Contracts with Customers. The practical expedient assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. The guidance is effective for the Company's interim and annual periods beginning in 2026. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements and related disclosures.

3. Fair Value Measurement

The Company measures and reports certain financial instruments as assets and liabilities at fair value on a recurring basis. The following tables set forth the fair value of the Company's financial assets, which consist of cash equivalents measured and recognized at fair value (in thousands):

		December 31, 2025			
Assets	**Classification**	**Level 1**	**Level 2**	**Level 3**	**Total**
Money market funds	Cash and cash equivalents	$ 75,025	$ —	$ —	$ 75,025

		December 31, 2024			
Assets	**Classification**	**Level 1**	**Level 2**	**Level 3**	**Total**
Money market funds	Cash and cash equivalents	$ 113,776	$ —	$ —	$ 113,776

During the years ended December 31, 2025 and 2024, the Company did not record impairment charges related to its cash equivalents. During the years ended December 31, 2025 and 2024, the Company did not have any transfers between Level 1, Level 2 or Level 3 of the fair value hierarchy. Additionally, the Company did not have any financial liabilities measured on a recurring basis as of December 31, 2025 or 2024.

4. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	December 31,	
	2025	2024
Leasehold improvements	$ 2,519	$ 2,519
Laboratory equipment	1,632	1,342
Furniture, fixtures and equipment	982	966
Software	283	272
Construction in progress	9	29
Total property and equipment, gross	5,425	5,128
Less: Accumulated depreciation	(4,374)	(3,968)
Total property and equipment, net	$ 1,051	$ 1,160

Depreciation expense for the years ended December 31, 2025 and 2024, was $0.4 million and $0.5 million, respectively.

5. Intangible Assets, Net

Intangible assets primarily consist of acquired licenses to utilize certain patents, know-how and technology relating to the Company's NPS for biomedical applications acquired from Old Dominion University Research Foundation (ODURF), Eastern Virginia Medical School (EVMS), and the University of Southern California. In addition, the Company entered into a sponsored research agreement ("SRA") with Old Dominion University's Frank Reidy Research Center for Bioelectrics, a leading research organization in the field, which includes certain intellectual property rights arising from the research. The Company is amortizing the intangible assets straight-line over an estimated useful life of 12 years.

Intangible assets, net consisted of the following (in thousands):

	December 31,	
	2025	2024
Acquired patents and licenses	$ 8,005	$ 7,985
Less: Accumulated amortization	(7,430)	(6,765)
Total intangible assets, net	$ 575	$ 1,220

A schedule of the amortization of intangible assets as of December 31, 2025 is as follows (in thousands):

Fiscal Year	Amount
2026	$ 558
Thereafter	17
Total intangible assets, net	$ 575

6. Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

	December 31,	
	2025	2024
Accrued compensation-related costs	$ 1,979	$ 4,097
Accrued research and development services	877	480
Accrued professional services	357	368
Accrued other	363	188
Accrued legal settlement	—	1,196
Accrued severance	—	698
Total accrued liabilities	$ 3,576	$ 7,027

7. Goodwill

In 2014, the Company acquired three companies (the "Acquisitions") for aggregate consideration of $5.5 million. In accordance with ASC Topic 805, *Business Combinations*, the Company recorded goodwill of $2.8 million in connection with the Acquisitions as the consideration paid exceeded the fair value of net tangible and intangible assets acquired.

In accordance with ASC Topic 350, *Intangibles-Goodwill and Other*, the Company reviews goodwill for impairment at least annually or whenever changes in circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. As of December 31, 2025, there were no indicators of impairment and it was determined that no impairment of goodwill existed.

8. Leases

Operating Leases

The Company leases office and laboratory facilities for its principal operations in Hayward, California, and office facilities for its corporate headquarters in Miami, Florida. These leases require monthly lease payments that may be subject to annual increases throughout the lease term. Certain of these leases also include renewal options at the election of the Company. These optional periods have not been considered in the determination of the right-of-use assets or lease liabilities associated with these leases as the Company did not consider it reasonably certain it would exercise the options. The Company conducted evaluations of its contracts and determined it has only operating leases. Variable lease expense for these leases primarily consists of common area maintenance and other operating costs.

Total lease costs and cash paid for the Company's leases were as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Cash paid for operating lease liabilities	$ 2,150	$ 1,938
Operating lease cost	1,933	1,786
Variable lease cost	626	667

The weighted-average remaining lease term and discount rates for the Company’s leases were as follows:

	Year Ended December 31,	
	2025	2024
Lease term (in years)	3.9	4.9
Discount rate	9.8%	9.8%

The maturities of the Company's lease liabilities as of December 31, 2025 were as follows (in thousands):

Fiscal Year	Amount
2026	$ 2,221
2027	2,296
2028	2,377
2029	2,077
2030	73
Total lease payments	9,044
Less imputed interest	(1,514)
Total lease liabilities	$ 7,530

9. Stockholders' Equity

Preferred Stock

The Company has authorized a total of 50,000,000 shares of preferred stock, par value $0.001 per share, none of which were outstanding as of December 31, 2025 and 2024. The Company's Board of Directors (the "Board") has the authority to issue preferred stock and to determine the rights, preferences, privileges, and restrictions, including voting rights, without any further vote or action by the Company's stockholders.

Common Stock

The Company has authorized a total of 500,000,000 shares of common stock, par value $0.001 per share.

2024 Rights Offering and Subscription Rights

On March 28, 2024, the Company announced that its Board unanimously approved plans to initiate a rights offering, whereby the Company would distribute non-transferable subscription rights at no charge to all holders of the Company's common stock, par value $0.001 per share (the "Common Stock"), as of the close of business on a record date to be determined. On May 20, 2024, the Company announced that the Board had set May 31, 2024 as the record date (the "Record Date"). All holders of Common Stock as of the Record Date received non-transferable subscription rights to purchase up to an aggregate of six million units (the "2024 Units") with an aggregate offering value of up to $60 million (the "2024 Rights Offering") at a price per 2024 Unit equal to the lesser of: (i) $10 (the "Initial Price") and (ii) the volume weighted average price of the Common Stock for the ten trading day period through and including the expiration date, June 26, 2024 (the "Expiration Date"), of the Rights Offering (the "Alternate Price"). Each subscription right entitled the holder to purchase 0.10864186 2024 Units for each share of Common Stock owned as of the Record Date. Each 2024 Unit consisted of one share of Common Stock and two warrants, each being a warrant to purchase one-half of one share of Common Stock. The subscription rights were to expire and have no value if they were not exercised prior to the Expiration Date. The Company determined that the equity-classified subscription rights represent a pro-rata distribution issued to existing stockholders as of the Record Date, which is based on a purchase price of $10 per 2024 Unit as compared to (1) the price of $11.55 per one share of Common Stock on the Record Date, plus (2) the value of the warrants on the Record Date. The Company determined the fair value of the equity-classified subscription rights as of the Record Date, which involved the use of a Monte Carlo simulation model to value the underlying warrants. The Monte Carlo simulation model was based on certain significant unobservable inputs, such as a risk-free interest rate, stock price volatility, dividend yield, and expected term of the rights offering. The fair value of the equity-classified subscription rights was $47.7 million and was recorded in equity on the balance sheet as part of additional paid-in capital. The deemed pro-rata distribution to shareholders of $47.7 million was reflected as an offsetting reduction in additional paid-in capital. The Company is in an accumulated deficit position and has elected a policy of recognizing the deemed pro-rata distribution to shareholders as a reduction to additional paid-in capital rather than a further increase to its accumulated deficit.

On July 3, 2024, the Company announced the closing of its 2024 Rights Offering. The 2024 Rights Offering resulted in the sale of six million 2024 Units, at a price of $10.00 per 2024 Unit. Each 2024 Unit consisted of one share of the Company's common stock, par value $0.001 per share, and two warrants, each being a warrant to purchase one-half of one share of common stock. The common stock and warrants comprising the 2024 Units separated upon the closing of the 2024 Rights Offering and were issued individually. A total of 5,999,998 shares of common stock and warrants to acquire up to approximately an additional six million shares of common stock were issued in the offering. The Company received aggregate gross proceeds from the 2024 Rights Offering of $60 million. See 2024 Rights Offering Warrants below for additional details of the warrants. Robert W. Duggan, the Company's majority stockholder and Co-Chairman, purchased approximately 88% of the units offered through the 2024 Rights Offering.

Common Stock Warrants

2024 Rights Offering Warrants

In connection with the 2024 Rights Offering, the Company issued 2024 Rights Offering Warrants to purchase a total of 5,999,999 shares of its common stock at an exercise price of $11.00 per whole share, which equaled 110% of the subscription price for the Units. The aggregate number of shares of our common stock issuable upon the exercise of each set of warrants included in a given subscription for Units was rounded up to the nearest whole share. Warrants are exercisable immediately and will expire on the fifth anniversary of the closing of the 2024 Rights Offering. Half of the warrants issued in the rights offering were redeemable for $0.01 per underlying share of common stock, on not less than thirty days' written notice, if the volume-weighted average price ("VWAP") of the Company's common stock equaled or exceeded 150% of the exercise price for the warrants, or $16.50, for twenty consecutive trading days. In December 2024, the Company delivered an irrevocable notice of redemption to redeem this first tranche of common stock warrants because the VWAP of the Company's common stock over the twenty consecutive trading days before the notice was $18.85. Accordingly, pursuant to the 150% redemption feature, the Company redeemed 36,442 warrants on the redemption date, February 5, 2025, which would have entitled holder to purchase up to 18,221 shares of common stock, and none of these warrants are still outstanding. The other half of the warrants issued in the rights offering remain redeemable for $0.01 per underlying share of common stock, on not less than thirty days' written notice, but only if the VWAP of the Company's common stock equals or exceeds 200% of the exercise price for the warrants, or $22.00, for twenty consecutive trading days. As of December 31, 2025, there were no outstanding 2024 Rights Offering Warrants subject to the 150% redemption feature and there were 405,624 outstanding 2024 Rights Offering Warrants subject to the 200% redemption feature, entitling holders to purchase up to approximately 202,812 shares of common stock. During the year ended December 31, 2025, we have received a total of $14.1 million in gross proceeds from exercises of the 2024 Rights Offering Warrants. Cumulatively, as of December 31, 2025, we have received a total of $63.6 million in gross proceeds from exercises of the 2024 Rights Offering Warrants.

A summary of total warrant activity for the year ended December 31, 2025 is presented below:

	Number of Warrants	Exercise Price	Remaining Contractual Life (in years)
Warrants outstanding as of December 31, 2024	2,996,967	$ 11.00	4.49
Exercised	(2,554,901)	11.00	
Redeemed/Cancelled	(36,442)	11.00	
Warrants outstanding as of December 31, 2025	405,624	$ 11.00	3.49

10. Stock-Based Compensation

2017 Equity Incentive Plan

In May 2017, the Company's Board of Directors (the "Board") adopted, and the Company's stockholders approved, the Company's 2017 Equity Incentive Plan (the "2017 Plan").

The 2017 Plan has a 10-year term, and provides for the grant of stock options, stock appreciation rights, restricted stock, RSUs, performance units, and performance shares to employees, directors and consultants of the Company and any parent or subsidiary of the Company.

Subject to an annual evergreen increase and adjustment in the case of certain capitalization events, the Company initially reserved 1,500,000 shares of the Company's common stock for issuance pursuant to awards under the 2017 Plan. In addition, shares remaining available under the Company's 2015 Equity Incentive Plan, as amended (the "2015 Plan"), and shares reserved but not issued pursuant to outstanding equity awards that expire or terminate without being exercised or that are forfeited or repurchased by the Company will be added to the shares of common stock available for issuance under the 2017 Plan. The 2017 Plan is administered by the Compensation Committee of the Board. The number of shares of the Company's common stock available for issuance under the 2017 Plan also include an annual increase on the first day of each fiscal year, equal to the least of (i) 1,200,000 shares, (ii) 4% of the Company's common stock outstanding at December 31 of the immediately preceding year, or (iii) such number of shares as determined by the Board. On September 30, 2025, the Company's stockholders approved an amendment to the 2017 Plan, which provided for an increase in the number of shares of common stock reserved for issuance thereunder by 2,000,000 shares. As of December 31, 2025, 1,215,439 shares of common stock remained available for issuance under the 2017 Plan.

2017 Inducement Equity Incentive Plan

In November 2017, the Board adopted the 2017 Inducement Equity Incentive Plan (the "Inducement Plan") without stockholder approval and initially reserved 1,000,000 shares of the Company's common stock for insurance pursuant to equity awards granted under the Inducement Plan. The Inducement Plan has a 10-year term and provides for the grant of equity-based awards, including non-statutory stock options, RSUs, restricted stock, stock appreciation rights, performance shares and performance units, and its terms are substantially similar to the 2017 Plan, including with respect to treatment of equity awards in the event of a "merger" or "change in control" as defined under the Inducement Plan. Options issued under the Inducement Plan may have a term up to ten years and have variable vesting provisions. New hire grants generally vest 25% per year starting upon the first anniversary of the grant. Equity-based awards issued under the Inducement Plan are only issuable to individuals not previously engaged as employees or non-employee directors of the Company prior to the Inducement Plan's adoption date. As of December 31, 2025, 2,304,109 shares of common stock were available for issuance under the Inducement Plan.

2017 Employee Stock Purchase Plan

In May 2017, the Board adopted, and the Company's stockholders approved, the Company's 2017 Employee Stock Purchase Plan (the "2017 ESPP").

The 2017 ESPP is a broad-based plan that provides employees of the Company and its designated affiliates with the opportunity to become stockholders through periodic payroll deductions that are applied towards the purchase of Company common shares at a discount from the then-current market price. Subject to adjustment in the case of certain capitalization events, a total of 250,000 common shares of the Company were available for purchase at adoption of the 2017 ESPP. Pursuant to the 2017 ESPP, the annual share increase pursuant to the evergreen provision is determined based on the least of (i) 450,000 shares, (ii) 1.5% of the Company's common stock outstanding as of December 31 of the immediately preceding year, or (iii) such number of shares as determined by the Board. As of December 31, 2025, 851,582 shares of common stock were available for issuance under the 2017 ESPP.

A summary of stock option activity under the 2015 Plan, 2017 Plan and Inducement Plan for the year ended December 31, 2025 is presented below:

	Stock Options Outstanding			
	Number of shares	Weighted average exercise price	Weighted average remaining life	Aggregate Intrinsic Value
			(in years)	(in thousands)
Balances — December 31, 2024	10,979,332	$ 9.59	7.11	$ 97,563
Options granted	2,909,743	18.64		
Options exercised	(592,612)	4.22		
Options canceled	(209,175)	7.71		
Options expired	(1,000)	6.84		
Balances — December 31, 2025	13,086,288	$ 11.87	6.99	$ 58,029
Exercisable — December 31, 2025	5,102,332	$ 13.34	5.17	$ 21,086

The aggregate intrinsic value of all stock options exercised during the years ended December 31, 2025 and 2024 was $7.3 million and $2.0 million, respectively. Intrinsic values of options exercised are calculated as the difference between the exercise price of the underlying options and the fair value of the common stock on the date of exercise. Intrinsic values of options outstanding are calculated as the difference between the exercise price of the underlying options and the fair value of the common stock as of the reporting date.

For the years ended December 31, 2025 and 2024, the weighted-average grant date fair value of options granted was $15.16 and $8.35, respectively.

The Company has granted stock options with time-based, performance-based, market-based, and both market-based and performance-based vesting conditions. The Company grants time-based options which vest and become exercisable, subject to the individual's continued employment or service through the applicable vesting date. Time-based options can have various vesting schedules, most commonly new hire grants, which generally vest 25% per year starting upon the first anniversary of the grant.

Performance-based stock options granted to certain Company executives and other employees contain performance conditions related to financial measures and achievements of strategic and operational milestones. The options will vest and become exercisable once the specific performance condition is fulfilled.

Market-based stock options granted to certain Company executives and other employees contain market conditions related to achievement of market capitalization targets. The options will vest and become exercisable once the specific market capitalization target is fulfilled.

Both market-based and performance-based stock options granted to certain Company executives contain market conditions related to the achievement of market capitalization targets as well as the achievement of revenue and margin metrics. The options will vest and become exercisable once both the specific market capitalization targets as well as the specific revenue and margin targets are fulfilled.

Modifications

In October 2024, the Board approved changes to the performance-based vesting conditions of certain unvested outstanding common stock option awards that were improbable of vesting. Specifically, 600,113 performance-based stock option awards were modified to time-based vesting criteria and 206,389 performance-based stock option awards were modified to market-based vesting criteria. The modified time-based awards will vest and become exercisable, subject to the individual's continued employment or service through the applicable vesting date, based upon individually specific vesting schedules with annual vesting milestones. The vesting schedules have a range from two to four years. The modified market-based awards will vest and become exercisable, subject to the individual's continued employment and service through the applicable vesting date, based upon the achievement of certain market capitalization targets.

Additionally, in October 2024, the Board approved a modification to certain market-based awards to adopt a uniform methodology for calculating its market capitalization whereas they aligned all awards to use consecutive calendar days and not consecutive trading days in the calculation. These modifications resulted in approximately $3.2 million of additional stock-based compensation expense for the year ended December 31, 2024.

Stock-Based Compensation Expense

Total stock-based compensation expense recorded in the consolidated statements of operations and comprehensive loss was as follows (in thousands):

	Year Ended December 31,	
	2025	**2024**
Cost of product revenue	$ 96	$ —
Research and development	9,555	6,293
Selling, general and administrative	11,806	7,293
Total stock-based compensation expense	$ 21,457	$ 13,586

As of December 31, 2025, not all of the performance conditions of the performance options are probable to be achieved. Stock-based compensation expense has only been recognized for those conditions that are assumed to be probable.

Total stock-based compensation expense by award type was as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Time-based options	$ 14,865	$ 10,343
Performance-based options	—	38
Market-based options	6,203	2,926
ESPP	389	279
Total stock-based compensation expense	$ 21,457	$ 13,586

As of December 31, 2025 and 2024, the Company had a total of $29.5 million and $18.1 million of unrecognized compensation cost for time-based stock options outstanding, respectively, which is expected to be recognized over a weighted average period of 5.3 and 5.4 years, respectively.

As of December 31, 2025 and 2024, the Company had a total of $27.6 million and $11.0 million of unrecognized compensation cost for performance-based, market-based, and both market-based and performance-based stock options outstanding, respectively, which is expected to be recognized over a weighted average period of 2.7 and 1.6 years, respectively.

The fair value of time-based and performance-based stock options granted under the 2017 Plan and Inducement Plan and the shares available for purchase under the ESPP were determined using the Black-Scholes option pricing model on the grant date and modification date. The Company estimated the fair value of market-based stock options and both market and performance-based stock options using a Monte Carlo simulation model on the grant date and modification date. The following summarizes the range of assumptions used in calculating the fair value of the awards with stock options grouped by valuation methodology:

	Year Ended December 31,	
	2025	2024
Time-Based and Performance-Based Stock Options		
Expected term (in years)	5.0 - 6.9	2.9 - 6.3
Expected volatility	93% - 100%	91% - 99%
Risk-free interest rate	3.8% - 4.6%	3.8% - 4.5%
Expected dividend yield	—	—
Market-Based Stock Options and Market and Performance-Based Stock Options[1]		
Expected term (in years)	1.0 - 7.8	1.4 - 4.3
Expected volatility	90%	90%
Risk-free interest rate	4.3% - 4.6%	3.5% - 3.7%
Expected dividend yield	—	—
ESPP		
Expected term (in years)	0.5 - 1.0	0.5 - 1.0
Expected volatility	53% - 98%	98%
Risk-free interest rate	3.8% - 4.9%	4.4% - 5.3%
Expected dividend yield	—	—

1 Assumptions for the year ended December 31, 2024, under this header apply only to market-based stock options as market and performance-based stock options were not outstanding during the year ended December 31, 2024.

11. Defined Contribution Plan

The Company sponsors a 401(k) retirement plan for its employees under which it may make discretionary contributions. The plan provides for tax-deferred salary deductions for all employees and employee contributions are voluntary. The Company did not make any employer matching contributions to the plan during the years ended December 31, 2025 and 2024.

12. Income Taxes

Total loss before income taxes for the years ended December 31, 2025 and 2024 were $72.8 million and $53.6 million, respectively. All losses were domestic and there were no foreign losses.

During the years ended December 31, 2025 and 2024, the Company did not recognize an income tax provision.

The provision for income taxes differs from the amount estimated by applying the statutory federal income tax rate to net loss before taxes as follows:

	Year Ended December 31,			
	2025		2024	
Tax at federal statutory rate	$ (15,284)	21.0%	$ (11,253)	21.0%
State income tax, net of federal tax benefit[1]	21	—	(2,993)	5.6
Research and development credits	(1,028)	1.4	(901)	1.7
Nontaxable or nondeductible items				
Stock-based compensation	1,043	(1.4)	561	(1.0)
Other	533	(0.7)	26	(0.1)
Changes in unrecognized tax benefits	494	(0.7)	3,444	(6.4)
Change in valuation allowance	14,221	(19.6)	11,116	(20.8)
Effective Tax Rate	$ —	—%	$ —	—%

1 State taxes in California comprise the majority (greater than 50 percent) of the state and local income taxes, net of federal effect category for both 2024 and 2025.

Deferred income taxes reflect the impact of carryforwards and temporary differences between the amounts of assets and liabilities for financial reporting purposes and such amounts as measured by tax laws. The carryforwards and temporary differences, which give rise to a significant portion of the Company's deferred tax assets and liabilities as of December 31, 2025 and 2024, are as follows (in thousands):

	December 31,	
	2025	2024
Deferred tax assets		
Accruals	$ 503	$ 1,218
Net operating loss carryforwards	74,859	66,952
Tax credit carryforwards	12,008	10,838
Stock-based compensation	14,450	9,588
R&D capitalization	18,527	10,358
Lease liability	1,890	1,869
Property and equipment	43	35
Intangible assets	544	279
Gross deferred tax assets	122,824	101,137
Valuation allowance	(121,249)	(99,542)
Total deferred tax assets	1,575	1,595
Deferred tax liabilities		
Right-of-use assets	(1,575)	(1,595)
Total deferred tax liabilities	(1,575)	(1,595)
Net deferred tax assets/(liabilities)	$ —	$ —

The Company's unrecognized tax benefits as of December 31, 2025 and 2024 were $18.5 million and $17.4 million, respectively. If recognized, none of the unrecognized tax benefits would impact income tax expense to the extent that the Company continues to maintain a full valuation allowance against its deferred tax assets.

A reconciliation of the beginning and ending amounts of unrecognized tax benefit is as follows (in thousands):

	December 31,	
	2025	2024
Unrecognized tax benefits at beginning of year	$ 17,376	$ 10,170
Increases related to current year tax positions	1,405	4,366
Increases related to prior year tax positions	—	2,993
Decreases related to prior year tax positions	(255)	(153)
Unrecognized tax benefits at end of year	$ 18,526	$ 17,376

The Company's policy is to recognize interest and penalties related to income taxes as components of interest expense and other expense, respectively. The Company did not accrue interest and penalties related to unrecognized tax benefits as of December 31, 2025 and does not anticipate any significant change within twelve months of this reporting date.

The Company's valuation allowance increased by $21.7 million in the year ended December 31, 2025 and increased by $11.7 million in the year ended December 31, 2024.

As of December 31, 2025, the Company had federal and state net operating loss ("NOL") carryforwards of $575.0 million which begin to expire in 2034. Of the $281.9 million of federal NOLs, $256.3 million is carried forward indefinitely but is limited to 80% of the taxable income.

As of December 31, 2025, the Company had U.S. federal and California research and development ("R&D") tax credits of approximately $10.5 million, and $10.6 million, respectively. The federal R&D credits begin to expire in 2035, while California credits do not expire.

The Company is subject to taxation in the United States for Federal and State. All jurisdictions and tax years currently remain open for IRS examination. As of December 31, 2025, the Company was not under examination by the Internal Revenue Service or any state tax jurisdiction.

Internal Revenue Code Section 382 ownership change generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. We believe that we have had one or more ownership changes prior to 2018, but recently performed a Section 382 study to analyze fiscal years 2018 through 2024, and we do not believe that we have had any additional ownership changes over that period. Possible future changes in our stock ownership could result in limitations.

On July 4, 2025, H.R. 1, a U.S. budget reconciliation bill, was signed into law. The Company has assessed the provisions of the new legislation and has integrated the resulting impacts into its effective income tax rate. Management has concluded that the bill does not have an impact on the Company's consolidated financial statements for the current period.

13. Net Loss Per Share

The Company calculates basic net loss per share by dividing net loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by giving effect to all potential dilutive common stock equivalents outstanding during the period. For purposes of this calculation, options to purchase common stock and warrants converted into common stock are considered common stock equivalents. Potential common shares that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted net loss per share.

The following outstanding equity instruments were excluded from the computation of diluted net loss per share for the periods presented because including them would have had an anti-dilutive effect:

	Year Ended December 31,	
	2025	2024
Warrants converted into common stock	202,812	1,498,483
Common stock options	13,086,288	10,979,332
Estimated shares issuable under the employee stock purchase plan	58,015	29,922
Total	13,347,115	12,507,737

14. Segment Reporting

The Company conducts business as one operating and reportable segment relating to the research and development of the Company's NPS technology. The Company's chief executive officer, who is the chief operating decision maker ("CODM"), views the Company's operations and manages its business in one operating segment. The CODM uses the Company's consolidated net loss to monitor actual results as compared to the budget in assessing segment performance and allocation of resources. Managing and allocating resources on an entity-wide basis enables the CODM to assess the overall level of resources available and how to best deploy these resources across functions and research and development projects that are in line with the Company's long-term company-wide strategic goals. Consistent with this decision-making process, the CODM uses financial information for purposes of evaluating performance, forecasting future period financial results, allocating resources, and setting incentive targets. Operating expenses are used to monitor budget versus actual results. The CODM is regularly provided with more detailed expense information than what is included in our consolidated statement of operations and comprehensive loss. All product sales are in the United States and there are no significant groupings of product revenue the CODM considers or reviews when making operating decisions and assessing performance.

The table below shows a reconciliation of the Company's net loss, including the significant expense categories regularly provided to and reviewed by the CODM, as computed under U.S. GAAP to the Company's total net loss in the statements of operations (in thousands).

	Year Ended December 31,	
	2025	2024
Product revenue	$ 350	$ —
Adjusted cost of product revenue[1]	336	—
Cross platform research and engineering[2]	14,290	13,487
R&D manufacturing and engineering[3]	8,856	4,939
Clinical and regulatory[4]	8,389	4,052
General and administrative[5]	15,227	15,909
Sales and marketing[6]	7,663	3,106
Other segment items[7]	22,528	14,764
Total other income, net	(4,158)	(2,672)
Net loss	$ (72,781)	$ (53,585)

1 Adjusted cost of product revenue includes material costs, cash compensation costs, fees paid to consultants and outside service providers and organizations, and other expenses relating to manufacturing the Company's commercial products. It does not include stock-based compensation, depreciation, amortization, IT and facilities costs - see descriptions of Other segment items in footnote *7* and General and administrative in footnote *5* below.

2 Cross platform research and engineering includes compensation costs, fees paid to consultants and outside service providers and organizations, prototype spending and other expenses relating to the acquisition, design and development of the Company's clinical stage devices.

3 R&D manufacturing and engineering includes compensation costs, fees paid to consultants and outside service providers and organizations, and costs associated with the procurement of materials and the manufacturing of the Company's clinical stage devices.

4 Clinical and regulatory includes compensation costs, fees paid to consultants and outside service providers and organizations, and costs associated with clinical trials and regulatory approvals required for the development of the Company's clinical stage devices.

5 General and administrative includes compensation costs and fees paid to consultants and outside service providers and organizations in support of the administrative functions of the Company, including finance, legal, human resources, IT and facilities.

6 Sales and marketing includes compensation costs, fees paid to consultants and outside service providers and organizations, costs associated with marketing and sales strategy as well as execution of marketing and sales initiatives for the Company's products.

7 Other segment items includes stock-based compensation, depreciation and amortization.

As of December 31, 2025 and 2024, all of the Company's long-lived assets are located in the United States.

15. Related Party Transactions

On July 3, 2024, the Company announced the closing of its 2024 Rights Offering. The 2024 Rights Offering resulted in the sale of six million 2024 Units, at a price of $10.00 per 2024 Unit. Each 2024 Unit consisted of one share of the Company's common stock, par value $0.001 per share, and two warrants, each being a warrant to purchase one-half of one share of common stock. The common stock and warrants comprising the 2024 Units separated upon the closing of the 2024 Rights Offering and were issued individually. A total of 5,999,998 shares of common stock and warrants to acquire up to approximately an additional six million shares of common stock were issued in the offering. The Company received aggregate gross proceeds from the 2024 Rights Offering of $60 million. Robert W. Duggan, the Company's majority stockholder and Co-Chairman, purchased approximately 88% of the units offered through the 2024 Rights Offering. See Note 9 for further details.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, our principal executive and principal financial officers, respectively, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act of 1934, as amended, as of the end of the period covered by this Annual Report on Form 10-K. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective (a) to ensure that information that we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (b) to include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Under the supervision and with the participation of senior management, including our Chief Executive Officer, Chief Financial Officer, and Vice President of Accounting and Global Corporate Controller, we evaluated the effectiveness of our internal control over financial reporting based on the framework in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation under that framework and applicable SEC rules, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting during the year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. Other Information

During our last fiscal quarter, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 11. Executive Compensation

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 14. Principal Accounting Fees and Services

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Part IV

Item 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as part of, or incorporated by reference into, this Annual Report on Form 10-K:

1. *Financial Statements*: See Item 8 of this Annual Report on Form 10-K.

2. *Financial Statement Schedules*: All schedules are omitted because they are not required, are not applicable or the information is included in the consolidated financial statements or notes thereto.

(b) The following exhibits are filed as part of, or incorporated by reference into, this Annual Report on Form 10-K:

Exhibit Number	Exhibit Description	Incorporation by Reference			
		Form	File No.	Exhibit(s)	Filing Date
2.1	Plan of Conversion of Pulse Biosciences, Inc.	8-K12B	001-37744	2.1	June 18, 2018
3.1	Articles of Conversion	8-K12B	001-37744	3.1	June 18, 2018
3.2	Certificate of Conversion	8-K12B	001-37744	3.2	June 18, 2018
3.3	Certificate of Incorporation of Pulse Biosciences, Inc.	8-K12B	001-37744	3.3	June 18, 2018
3.4	Bylaws of Pulse Biosciences, Inc.	8-K12B	001-37744	3.4	June 18, 2018
4.1	Specimen Common Stock Certificate	8-K12B	001-37744	4.1	June 18, 2018
4.2	Form of Warrant	S-3	333-278494	4.3	April 3, 2024
4.3	Form of Warrant Agent Agreement	S-3	333-278494	4.4	April 3, 2024
10.1	Lease for facilities at 3955 Point Eden Way, Hayward, California, dated January 26, 2017	10-K	001-37744	10.1	March 20, 2017
10.2+	Employment Agreement between Mitchell E. Levinson and the Registrant	10-K	001-37744	10.4	March 31, 2022
10.3+	Employment Agreement between Kevin Danahy and the Registrant	10-K	001-37744	10.5	March 31, 2022
10.4+	2015 Stock Incentive Plan	S-1	333-208694	10.2	December 22, 2015
10.5+	2017 Inducement Equity Incentive Plan and forms of agreements thereunder	8-K	001-37744	10.1	November 28, 2017
10.6*	2017 Equity Incentive Plan and forms of agreements thereunder				
10.7+	2017 Employee Stock Purchase Plan and forms of agreements thereunder	8-K	001-37744	10.2	May 19, 2017
10.8+	Executive Employment Agreement between Darrin R. Uecker and the Registrant	S-1	333-208694	10.9	December 22, 2015
10.9+	Amendment to Employment Agreement between Darrin R. Uecker and Pulse Biosciences, Inc. dated October 5, 2016	8-K	001-37744	10.1	October 11, 2016
10.10+	Form of At-Will Employment, Confidential Information, Invention Assignment, and Arbitration Agreement for Employees	S-1	333-208694	10.10	December 22, 2015
10.11±	Form of Indemnification Agreement	8-K12B	001-37744	10.1	June 18, 2018
10.12	First Amendment to the lease for facilities at 3955 Point Eden Way, Hayward, California, dated May 28, 2019	8-K	001-37744	10.19	May 31, 2019
10.13	At-the-Market Equity Offering Sales Agreement	8-K	001-37744	1.1	July 15, 2024
10.14	Indemnification Letter, dated May 27, 2022, by and between Pulse Biosciences, Inc. and Robert W. Duggan	10-Q	001-37744	10.1	August 10, 2022
10.15	Loan Agreement, dated as of September 20, 2022, by and between Pulse Biosciences, Inc. and Robert W. Duggan	8-K	001-37744	10.1	September 23, 2022
10.16+	Amendment to Employment Agreement, between Darrin Uecker and Pulse Biosciences, Inc., dated September 20, 2022	8-K	001-37744	10.2	September 23, 2022
10.17+	Amendment to Employment Agreement, between Kevin Danahy and Pulse Biosciences, Inc., dated September 23, 2022	8-K	001-37744	10.1	September 28, 2022
10.18+	Amendment to Employment Agreement, between Kevin Danahy and Pulse Biosciences, Inc., dated May 4, 2023	8-K	001-37744	10.1	May 5, 2023
10.19+	Amendment to Employment Agreement, between Darrin Uecker and Pulse Biosciences, Inc., dated May 5, 2023	8-K	001-37744	10.2	May 5, 2023
10.20+	Third Amendment to Employment Agreement, between Kevin Danahy and Pulse Biosciences, Inc., dated March 26, 2024	10-K	001-37744	10.26	March 28, 2024
10.21+	Fourth Amendment to Employment Agreement, between Darrin Uecker and Pulse Biosciences, Inc., dated March 26, 2024	10-K	001-37744	10.27	March 28, 2024
10.22+	Employment Agreement between Paul A. LaViolette and Pulse Biosciences, Inc., dated January 9, 2025	8-K	001-37744	10.1	January 13, 2025
10.23+	Employment Agreement between Jon Skinner and Pulse Biosciences, Inc., dated January 31, 2025	8-K	001-37744	10.1	January 31, 2025
14.1*	Code of Business Conduct and Ethics				
19.1*	Insider Trading Policy of Pulse Biosciences, Inc. (as amended and restated on February 19, 2026)				
21.1*	List of Subsidiaries				
23.1*	Consent of Independent Registered Public Accounting Firm				
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1*	Certification of the Chief Executive Officer pursuant to Section 906 of the				

	Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).				
32.2*	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).				
97.1+	Section 10D Clawback Policy	10-K	001-37744	97.1	March 28, 2024
101.INS	Inline XBRL Instance Document				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Filed herewith
+ Indicates a management contract or compensatory plan or arrangement.
# Portions of this exhibit (indicated by asterisks) have been omitted pursuant to a grant of confidential treatment.

Item 16. Form 10-K Summary

None.

Signatures

Pursuant to the requirements of the Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PULSE BIOSCIENCES, INC.

Date: February 19, 2026

By: /s/ Paul A. LaViolette
Paul A. LaViolette
Chief Executive Officer
(Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Paul A. LaViolette and Jon Skinner, jointly and severally, as his true and lawful attorney-in-fact and agent, with full power of substitution, each with power to act alone, to sign and execute on behalf of the undersigned any and all amendments to this Annual Report on Form 10-K, and to perform any acts necessary in order to file the same, with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requested and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or their or his or her substitutes, shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Paul A. LaViolette Paul A. LaViolette	Chief Executive Officer and Co-Chairman of the Board of Directors (*Principal Executive Officer)*	February 19, 2026
/s/ Robert W. Duggan Robert W. Duggan	Co-Chairman of the Board of Directors	February 19, 2026
/s/ Darrin R. Uecker Darrin R. Uecker	Chief Technology Officer and Director	February 19, 2026
/s/ Manmeet S. Soni Manmeet S. Soni	Lead Independent Director	February 19, 2026
/s/ Maria Sainz Maria Sainz	Director	February 19, 2026
/s/ Richard A. van den Broek Richard A. van den Broek	Director	February 19, 2026
/s/ Mahkam Zanganeh Mahkam Zanganeh	Director	February 19, 2026
/s/ Jon Skinner Jon Skinner	Chief Financial Officer *(Principal Financial Officer)*	February 19, 2026
/s/ Steven Weber Steven Weber	VP, Accounting and Global Corporate Controller *(Principal Accounting Officer)*	February 19, 2026

Approved by Stockholders 9/30/25

PULSE BIOSCIENCES, INC.
AMENDED AND RESTATED 2017 EQUITY INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are:

   - to attract and retain the best available personnel for positions of substantial responsibility,
   - to provide additional incentive to Employees, Directors and Consultants, and
   - to promote the success of the Company's business.

   The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance Units and Performance Shares.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the legal and regulatory requirements relating to the administration of equity-based awards and the related issuance of Shares thereunder, including but not limited to U.S. federal and state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any non-U.S. country or jurisdiction where Awards are, or will be, granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Units or Performance Shares.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than fifty percent (50%) of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection, the acquisition of additional stock by any one Person, who is considered to own more than fifty percent (50%) of the total voting power of the stock of the Company will not be considered a Change in Control; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to or more than fifty percent (50%) of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, however, that for purposes of this subsection (iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets: (A) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or (B) a transfer of assets by the Company to: (1) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock, (2) an entity, fifty percent (50%) or more of the total value or voting power of which is owned, directly or indirectly, by the Company, (3) a Person, that owns, directly or indirectly, fifty percent (50%) or more of the total value or voting power of all the outstanding stock of the Company, or (4) an entity, at least fifty percent (50%) of the total value or voting power of which is owned, directly or indirectly, by a Person described in this subsection (iii)(B)(3). For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this definition, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and Internal Revenue Service guidance that has been promulgated or may be promulgated thereunder from time to time.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the state of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(g) "Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder will include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(h) "Committee" means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board, or a duly authorized committee of the Board, in accordance with Section 4 hereof.

(i) "Common Stock" means the common stock of the Company.

(j) "Company" means Pulse Biosciences, Inc., a Nevada corporation, or any successor thereto.

(k) "Consultant" means any natural person, including an advisor, engaged by the Company or a Parent or Subsidiary to render bona fide services to such entity, or engaged by a third party, such as a third-party payrolling service or employer of record, to render bona fide services to the Company or a Parent or Subsidiary, provided the services (i) are not in connection with the offer or sale of securities in a capital-raising transaction, and (ii) do not directly promote or maintain a market for the Company's securities, in each case, within the meaning of Form S-8 promulgated under the Securities Act.

(l) "Determination Date" means the latest possible date that will not jeopardize the qualification of an Award granted under the Plan as "performance-based compensation" under Section 162(m) of the Code.

(m) "Director" means a member of the Board.

(n)"Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(o)"Employee" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(p)"Exchange Act" means the Securities Exchange Act of 1934, as amended.

(q)"Exchange Program" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for awards of the same type (which may have higher or lower exercise prices and different terms), awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Award is increased or reduced. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(r)"Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

i. If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the NASDAQ Global Select Market, the NASDAQ Global Market or the NASDAQ Capital Market of The NASDAQ Stock Market, its Fair Market Value will be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

ii. If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no bids and asks were reported on that date, as applicable, on the last trading date such bids and asks were reported), as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

iii. In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

(s)"Fiscal Year" means the fiscal year of the Company.

(t)"Incentive Stock Option" means an Option that by its terms qualifies and is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(u)"Inside Director" means a Director who is an Employee.

(v)"Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(w)"Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(x)"Option" means a stock option granted pursuant to the Plan.

(y)"Outside Director" means a Director who is not an Employee.

(z)"Parent" means a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code.

(aa)"Participant" means the holder of an outstanding Award.

(bb)"Performance Goals" will have the meaning set forth in Section 11 of the Plan.

(cc) "Performance Period" means any Fiscal Year of the Company or such other period as determined by the Administrator in its sole discretion.

(dd) "Performance Share" means an Award denominated in Shares which may be earned in whole or in part upon attainment of Performance Goals or other vesting criteria as the Administrator may determine pursuant to Section 10.

(ee) "Performance Unit" means an Award which may be earned in whole or in part upon attainment of Performance Goals or other vesting criteria as the Administrator may determine and which may be settled for cash, Shares or other securities or a combination of the foregoing pursuant to Section 10.

(ff) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(gg) "Plan" means this 2017 Equity Incentive Plan.

(hh) "Restricted Stock" means Shares issued pursuant to a Restricted Stock award under Section 7 of the Plan, or issued pursuant to the early exercise of an Option.

(ii) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(jj) "Rule 16b-3" means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(kk) "Section 16(b)" means Section 16(b) of the Exchange Act.

(ll) "Service Provider" means an Employee, Director or Consultant.

(mm) "Share" means a share of the Common Stock, as adjusted in accordance with Section 15 of the Plan.

(nn) "Stock Appreciation Right" means an Award, granted alone or in connection with an Option, that pursuant to Section 9 is designated as a Stock Appreciation Right.

(oo) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan.

a. Stock Subject to the Plan. Subject to the provisions of Section 15 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is 4,875,000 Shares, plus (i) the number of Shares added to the Plan pursuant to Section 3(b), and (ii) the sum of (A) any Shares that, as of the date of initial stockholder approval of this Plan, have been reserved but not issued pursuant to any awards granted under the Company's 2015 Stock Incentive Plan, as amended (the "2015 Plan"), and are not subject to any awards granted thereunder, and (B) any Shares subject to stock options or similar awards granted under the 2015 Plan that, after the date of initial stockholder approval of this Plan, expire or otherwise terminate without having been exercised in full and Shares issued pursuant to awards granted under the 2015 Plan that are forfeited to or repurchased by the Company, with the maximum number of Shares to be added to the Plan pursuant to clause (ii) equal to 5,000,000. The Shares may be authorized, but unissued, or reacquired Common Stock.

b. Automatic Share Reserve Increase. Subject to the provisions of Section 15 of the Plan, the number of Shares available for issuance under the Plan will be increased on the first day of each Fiscal Year beginning with the 2018 Fiscal Year, in an amount equal to the least of (i) 1,200,000 Shares, (ii) four percent (4%) of the outstanding Shares on the last day of the immediately preceding Fiscal Year or (iii) such number of Shares determined by the Board; provided, that such determination under clause (iii) will be made no later than the last day of the immediately preceding Fiscal Year.

c. Lapsed Awards. If an Award expires or becomes unexercisable without having been exercised in full, is surrendered pursuant to an Exchange Program, or, with respect to Restricted Stock, Restricted Stock Units, Performance Units or Performance Shares, is forfeited to, or repurchased by, the Company due to failure to vest, then the unpurchased Shares (or for Awards other than Options or Stock Appreciation Rights the forfeited or repurchased Shares), which were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). With respect to Stock Appreciation Rights, only Shares actually issued (i.e., the net Shares issued) pursuant to a Stock Appreciation Right will cease to be available under the Plan; all remaining Shares under Stock Appreciation Rights will remain available for future grant or sale under the Plan (unless the Plan has terminated). Shares that actually have been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if Shares issued pursuant to Awards of Restricted Stock, Restricted Stock Units, Performance Shares or Performance Units are repurchased by the Company or are forfeited to the Company, such Shares will become available for future grant under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Notwithstanding the foregoing and, subject to adjustment as provided in Section 15, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in Section 3(a), plus, to the extent allowable under Section 422 of the Code, any Shares that become available for issuance under the Plan pursuant to Sections 3(b) and 3(c).

d. Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of the Plan.

4. Administration of the Plan.

a. Procedure.

i. Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

ii. Section 162(m). To the extent that the Administrator determines it to be desirable to qualify Awards granted hereunder as "performance-based compensation" within the meaning of Section 162(m) of the Code, the Plan will be administered by a Committee of two (2) or more "outside directors" within the meaning of Section 162(m) of the Code.

iii. Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

iv. Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which committee will be constituted to satisfy Applicable Laws.

b. Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator will have the authority, in its discretion:

i. to determine the Fair Market Value;

ii. to select the Service Providers to whom Awards may be granted hereunder;

iii. to determine the number of Shares to be covered by each Award granted hereunder;

iv. to approve forms of Award Agreements for use under the Plan;

v. to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

vi. to institute and determine the terms and conditions of an Exchange Program;

vii. to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

viii. to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

ix. to modify or amend each Award (subject to Section 20 of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards and to extend the maximum term of an Option (subject to Section 6(b) of the Plan regarding Incentive Stock Options);

x. to allow Participants to satisfy tax withholding obligations in such manner as prescribed in Section 16 of the Plan;

xi. to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

xii. to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that otherwise would be due to such Participant under an Award; and

xiii. to make all other determinations deemed necessary or advisable for administering the Plan.

c. Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

5. Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

a. Limitations.

i. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted.

ii. The Administrator will have complete discretion to determine the number of Shares subject to an Option granted to any Participant. Notwithstanding the foregoing sentence, for Stock Options intended to qualify as "performance-based compensation" within the meaning of Section 162(m) of the Code, during any Fiscal Year no Participant will receive Stock Options to acquire more than an aggregate of 400,000 shares.

b. Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

c. Option Exercise Price and Consideration.

i. Exercise Price. The per share exercise price for the Shares to be issued pursuant to exercise of an Option will be determined by the Administrator, subject to the following:

1. In the case of an Incentive Stock Option

A. granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant.

B. granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

2. In the case of a Nonstatutory Stock Option, the per Share exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

3. Notwithstanding the foregoing, Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code.

ii. Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

iii. Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of: (1) cash; (2) check; (3) promissory note, to the extent permitted by Applicable Laws; (4) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (5) consideration received by the Company under a broker-assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (6) by net exercise; (7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws; or (8) any combination of the foregoing methods of payment.

d. Exercise of Option.

i. Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (i) a notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 15 of the Plan.

Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

ii. Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for three (3) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

iii. Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following the Participant's termination. Unless otherwise provided by the Administrator, if on the date of termination the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

iv. Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of death (but in no event may the option be exercised later than the expiration of the term of such Option as set forth in the Award Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following Participant's death. Unless otherwise provided by the Administrator, if at the time of death Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Restricted Stock.

a. Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine.

b. Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, if any, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Notwithstanding the foregoing sentence, for restricted stock intended to qualify as "performance-based compensation" within the meaning of Section 162(m) of the Code, during any Fiscal Year no Participant will receive more than an aggregate of 250,000 Shares of Restricted Stock. Unless the Administrator determines otherwise, Shares of Restricted Stock will be held by the Company as escrow agent until the restrictions on such Shares have lapsed. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

c. Transferability. Except as provided in this Section 7 or the Award Agreement, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

d. Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

e. Removal of Restrictions. Except as otherwise provided in this Section 7, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

f. Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

g. Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

h. Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

i. Section 162(m) Performance Restrictions. For purposes of qualifying grants of Restricted Stock as "performance-based compensation" under Section 162(m) of the Code, the Administrator, in its discretion, may set restrictions based upon the achievement of Performance Goals. The Performance Goals will be set by the Administrator on or before the Determination Date. In granting Restricted Stock which is intended to qualify under Section 162(m) of the Code, the Administrator will follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Award under Section 162(m) of the Code (e.g., in determining the Performance Goals).

8. Restricted Stock Units.

a. Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units under the Plan, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Stock Units.

b. Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. Each Award of Restricted Stock Units will be evidenced by an Award Agreement that will specify the vesting criteria, and such other terms and conditions as the Administrator, in its sole discretion will determine.

c. Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

d. Form and Timing of Payment. Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may only settle earned Restricted Stock Units in cash, Shares, or a combination of both.

e. Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

f. Section 162(m) Performance Restrictions. For purposes of qualifying grants of Restricted Stock Units as "performance-based compensation" under Section 162(m) of the Code, the Administrator, in its discretion, may set restrictions based upon the achievement of Performance Goals. The Performance Goals will be set by the Administrator on or before the Determination Date. In granting Restricted Stock Units which are intended to qualify under Section 162(m) of the Code, the Administrator will follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Award under Section 162(m) of the Code (e.g., in determining the Performance Goals).

9. Stock Appreciation Rights.

a. Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

b. Number of Shares. The Administrator will have complete discretion to determine the number of Stock Appreciation Rights granted to any Service Provider.

c. Exercise Price and Other Terms. The per share exercise price for the Shares to be issued pursuant to exercise of a Stock Appreciation Right will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

d. Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

e. Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement, as determined by the Administrator, in its sole discretion. Notwithstanding the foregoing, the rules of Section 6(d) relating to exercise also will apply to Stock Appreciation Rights.

f. Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

i. The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

ii. The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

10. Performance Units and Performance Shares.

a. Grant of Performance Units/Shares. Performance Units and Performance Shares may be granted to Service Providers at any time and from time to time, as will be determined by the Administrator, in its sole discretion. The Administrator will have complete discretion in determining the number of Performance Units and Performance Shares granted to each Participant.

b. Value of Performance Units/Shares. Each Performance Unit will have an initial value that is established by the Administrator on or before the date of grant. Each Performance Share will have an initial value equal to the Fair Market Value of a Share on the date of grant.

c. Performance Objectives and Other Terms. The Administrator will set performance objectives or other vesting provisions (including, without limitation, continued status as a Service Provider) in its discretion which, depending on the extent to which they are met, will determine the number or value of Performance Units/Shares that will be paid out to the Service Providers. The time period during which the performance objectives or other vesting provisions must be met will be called the "Performance Period." Each Award of Performance Units/Shares will be evidenced by an Award Agreement that will specify the Performance Period, and such other terms and conditions as the Administrator, in its sole discretion, will determine. The Administrator may set performance objectives based upon the achievement of Company-wide, divisional, business unit or individual goals (including, but not limited to, continued employment or service), applicable federal or state securities laws, or any other basis determined by the Administrator in its discretion.

d. Earning of Performance Units/Shares. After the applicable Performance Period has ended, the holder of Performance Units/Shares will be entitled to receive a payout of the number of Performance Units/Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding performance objectives or other vesting provisions have been achieved. After the grant of a Performance Unit/Share, the Administrator, in its sole discretion, may reduce or waive any performance objectives or other vesting provisions for such Performance Unit/Share.

e. Form and Timing of Payment of Performance Units/Shares. Payment of earned Performance Units/Shares will be made as soon as practicable after the expiration of the applicable Performance Period. The Administrator, in its sole discretion, may pay earned Performance Units/Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Units/Shares at the close of the applicable Performance Period) or in a combination thereof.

f. Cancellation of Performance Units/Shares. On the date set forth in the Award Agreement, all unearned or unvested Performance Units/Shares will be forfeited to the Company, and again will be available for grant under the Plan.

g. Section 162(m) Performance Restrictions. For purposes of qualifying grants of Performance Units/Shares as "performance-based compensation" under Section 162(m) of the Code, the Administrator, in its discretion, may set restrictions based upon the achievement of Performance Goals. The Performance Goals will be set by the Administrator on or before the Determination Date. In granting Performance Units/Shares which are intended to qualify under Section 162(m) of the Code, the Administrator will follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Award under Section 162(m) of the Code (e.g., in determining the Performance Goals).

11. Performance-Based Compensation Under Code Section 162(m).

a. General. If the Administrator, in its discretion, decides to grant an Award intended to qualify as "performance-based compensation" under Code Section 162(m), the provisions of this Section 11 will control over any contrary provision in the Plan; provided, however, that the Administrator may in its discretion grant Awards that are not intended to qualify as "performance-based compensation" under Section 162(m) of the Code to such Participants that are based on Performance Goals or other specific criteria or goals but that do not satisfy the requirements of this Section 11.

b. Performance Goals. The granting and/or vesting of Awards of Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units and other incentives under the Plan may be made subject to the attainment of performance goals relating to one or more business criteria within the meaning of Code Section 162(m) and may provide for a targeted level or levels of achievement ("Performance Goals"). Any Performance Goals may be used to measure the performance of the Company as a whole or a business unit of the Company and may be measured relative to a peer group or index. The Performance Goals may differ from Participant to Participant and from Award to Award. Prior to the Determination Date, the Administrator will determine whether any significant element(s) will be included in or excluded from the calculation of any Performance Goal with respect to any Participant.

c. Procedures. To the extent necessary to comply with the performance-based compensation provisions of Code Section 162(m), with respect to any Award granted subject to Performance Goals, within the first twenty-five percent (25%) of the Performance Period, but in no event more than ninety (90) days following the commencement of any Performance Period (or such other time as may be required or permitted by Code Section 162(m)), the Administrator will, in writing, (i) designate one or more Participants to whom an Award will be made, (ii) select the Performance Goals applicable to the Performance Period, (iii) establish the Performance Goals, and amounts of such Awards, as applicable, which may be earned for such Performance Period, and (iv) specify the relationship between Performance Goals and the amounts of such Awards, as applicable, to be earned by each Participant for such Performance Period. Following the completion of each Performance Period, the Administrator will certify in writing whether the applicable Performance Goals have been achieved for such Performance Period. In determining the amounts earned by a Participant, the Administrator will have the right to reduce or eliminate (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Administrator may deem relevant to the assessment of individual or corporate performance for the Performance Period. A Participant will be eligible to receive payment pursuant to an Award for a Performance Period only if the Performance Goals for such period are achieved.

d. Additional Limitations. Notwithstanding any other provision of the Plan, any Award which is granted to a Participant and is intended to constitute qualified performance based compensation under Code Section 162(m) will be subject to any additional limitations set forth in the Code (including any amendment to Section 162(m)) or any regulations and ruling issued thereunder that are requirements for qualification as qualified performance-based compensation as described in Section 162(m) of the Code, and the Plan will be deemed amended to the extent necessary to conform to such requirements.

12. Outside Director Limitations. Awards. The Administrator will have complete discretion in determining the number of Awards granted to each Outside Director.

13. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. For purposes of Incentive Stock Options, no such leave may exceed three (3) months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

14. Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

15. Adjustments; Dissolution or Liquidation; Change in Control.

a. Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Shares that may be delivered under the Plan and/or the number, class, and price of Shares covered by each outstanding Award, and the numerical Share limits set forth in Sections 3, 6, 7, 8, 9 and 10 of the Plan.

b. Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it previously has not been exercised, an Award will terminate immediately prior to the consummation of such proposed action.

c. Change in Control. In the event of a Change in Control, each outstanding Award will be treated as the Administrator determines, including, without limitation, that (i) Awards may be assumed, or substantially equivalent Awards will be substituted, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments as to the number and kind of shares and prices; (ii) upon written notice to a Participant, that the Participant's Awards will terminate upon or immediately prior to the consummation of such Change in Control; (iii) outstanding Awards will vest and become exercisable, realizable, or payable, or restrictions applicable to an Award will lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iv) (A) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment), or (B) the replacement of such Award with other rights or property selected by the Administrator in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 15(c), the Administrator will not be required to treat all Awards similarly in the transaction.

In the event that the successor corporation does not assume or substitute for the Award, the Participant will fully vest in and have the right to exercise all of his or her outstanding Options and Stock Appreciation Rights, including Shares as to which such Awards would not otherwise be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all Performance Goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met. In addition, if an Option or Stock Appreciation Right is not assumed or substituted in the event of a Change in Control, the Administrator will notify the Participant in writing or electronically that the Option or Stock Appreciation Right will be exercisable for a period of time determined by the Administrator in its sole discretion, and the Option or Stock Appreciation Right will terminate upon the expiration of such period.

For the purposes of this subsection (c), an Award will be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, Performance Unit or Performance Share, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

Notwithstanding anything in this Section 15(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more Performance Goals will not be considered assumed if the Company or its successor modifies any of such Performance Goals without the Participant's consent; provided, however, a modification to such Performance Goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

d. Outside Director Awards. With respect to Awards granted to an Outside Director, in the event of a Change in Control, the Participant will fully vest in and have the right to exercise Options and/or Stock Appreciation Rights as to all of the Shares underlying such Award, including those Shares which otherwise would not be vested or exercisable, all restrictions on Restricted Stock and Restricted Stock Units will lapse, and, with respect to Awards with performance-based vesting, all Performance Goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met.

16. Tax.

a. Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof) or such earlier time as any tax withholding obligations are due, the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

b. Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (a) paying cash, (b) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the amount required to be withheld or other greater amount up to the maximum statutory rate under Applicable Laws, as applicable to the Participant, if such other greater amount would not result in adverse financial accounting treatment, as determined by the Company (including in connection with the effectiveness of FASB Accounting Standards Update 2016-09 amending FASB Accounting Standards Codification Topic 718, Compensation – Stock Compensation),, or (c) delivering to the Company already-owned Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

c. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

17. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor will they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

18. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

19. Term of Plan. Subject to Section 23 of the Plan, the Plan will become effective upon its adoption by the Board. It will continue in effect for a term of ten (10) years from the date adopted by the Board, unless terminated earlier under Section 20 of the Plan.

20. Amendment and Termination of the Plan.

a. Amendment and Termination. The Administrator may at any time amend, alter, suspend or terminate the Plan.

b. Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

c. Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will materially impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

21. Conditions Upon Issuance of Shares.

a. Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

b. Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

22. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction or to complete or comply with the requirements of any registration or other qualification of the Shares under any state, federal or foreign law or under the rules and regulations of the Securities and Exchange Commission, the stock exchange on which Shares of the same class are then listed, or any other governmental or regulatory body, which authority, registration, qualification or rule compliance is deemed by the Company's counsel to be necessary or advisable for the issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority, registration, qualification or rule compliance will not have been obtained.

23. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

PULSE BIOSCIENCES, INC.
2017 EQUITY INCENTIVE PLAN
STOCK OPTION AGREEMENT

NOTICE OF STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the Pulse Biosciences, Inc. 2017 Equity Incentive Plan (the "Plan") will have the same defined meanings in this Stock Option Agreement including the Notice of Stock Option Grant (the "Notice of Grant"), the Terms and Conditions of Stock Option Grant, and the appendices and exhibits attached thereto (all together, the "Award Agreement").

Name ("Participant"): %%FIRST_NAME_LAST_NAME%-%

Address: %%ADDRESS_LINE_1%-%
%%ADDRESS_LINE_2%-%
%%CITY_STATE_ZIPCODE%-%
%%COUNTRY%-%

The undersigned Participant has been granted an Option to purchase Common Stock of Pulse Biosciences, Inc. (the "Company"), subject to the terms and conditions of the Plan and this Award Agreement, as follows:

Grant Number	%%OPTION_NUMBER%-%
Date of Grant	%%OPTION_DATE,'Month DD, YYYY'%-%
Vesting Commencement Date	%%VEST_BASE_DATE, 'Month DD, YYYY'%-%
Number of Shares Granted	%%TOTAL_SHARES_GRANTED,7%-%
Exercise Price per Share	%%OPTION_PRICE,'$999,999,999.99'%-%
Total Exercise Price	%%TOTAL_OPTION_PRICE,'$999,999,999.99'%-%
Type of Option	%%OPTION_TYPE_LONG%-%
Term/Expiration Date	%%EXPIRE_DATE_PERIOD1,'Month DD, YYYY'%-%

Vesting Schedule:

Subject to accelerated vesting as set forth below or in the Plan, this Option will be exercisable, in whole or in part, in accordance with the following schedule or as otherwise delivered to you in a signed writing by the Company:

%%GRANT_USER_DEFINED_FIELD_3%-%

Termination Period:

This Option will be exercisable for three (3) months after Participant ceases to be a Service Provider, unless such termination is due to Participant's death or Disability, in which case this Option will be exercisable for twelve (12) months after Participant ceases to be a Service Provider. Notwithstanding the foregoing sentence, in no event may this Option be exercised after the Term/Expiration Date as provided above and may be subject to earlier termination as provided in Section 15 of the Plan.

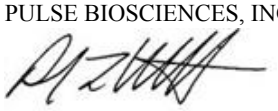
Clawback Policy:

On November 1, 2023, in accordance with applicable law, including 229 CFR § 240.10D, the Company adopted a policy to recoup (*i.e.*, claw back) certain "Erroneously Awarded Compensation" in the event the Company restates its financial reports (the "Policy"). This Option is subject to the Policy, although the Policy only applies to Executive Officers, as defined by the Policy.

Acknowledgments:

Participant acknowledges receipt of a copy of the Plan and Policy and represents that he/sheshe/they is familiar with the terms and provisions thereof, and hereby accepts this Award Agreement subject to all of the terms and provisions of the Plan and Policy. Participant has reviewed the Plan, the Policy and this Award Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Award Agreement and fully understands all provisions of this Award Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Policy or this Award Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated herein.

PULSE BIOSCIENCES, INC.



Paul A. LaViolette,
Chief Executive
Officer

PARTICIPANT

ACCEPTED:
%%FIRST_NAME_LAST_NAME%-%
Signature

PULSE BIOSCIENCES, INC.
2017 EQUITY INCENTIVE PLAN
STOCK OPTION AGREEMENT

TERMS AND CONDITIONS OF STOCK OPTION GRANT

1. Grant of Option. The Company hereby grants to the individual (the "Participant") named in the Notice of Stock Option Grant of this Award Agreement (the "Notice of Grant") an option (the "Option") to purchase the number of Shares, as set forth in the Notice of Grant, at the exercise price per Share set forth in the Notice of Grant (the "Exercise Price"), subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. Subject to Section 20(c) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

    a. For U.S. taxpayers, the Option will be designated as either an Incentive Stock Option ("ISO") or a Nonstatutory Stock Option ("NSO"). If designated in the Notice of Grant as an ISO, this Option is intended to qualify as an ISO under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"). However, if this Option is intended to be an Incentive Stock Option, to the extent that it exceeds the $100,000 rule of Code Section 422(d) it will be treated as an NSO. Further, if for any reason this Option (or portion thereof) will not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a NSO granted under the Plan. In no event will the Administrator, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to Participant (or any other person) due to the failure of the Option to qualify for any reason as an ISO.

    b. For non-U.S. taxpayers, the Option will be designated as an NSO.

2. Vesting Schedule. Except as provided in Section 3, the Option awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in Participant in accordance with any of the provisions of this Award Agreement, unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting occurs.

3. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option will be considered as having vested as of the date specified by the Administrator.

4. Exercise of Option.

    a. Right to Exercise. This Option may be exercised only within the term set out in the Notice of Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Award Agreement.

    b. Method of Exercise. This Option is exercisable by delivery of an exercise notice (the "Exercise Notice") in the form attached as Exhibit A or in a manner and pursuant to such procedures as the Administrator may determine, which will state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice will be completed by Participant and delivered to the Company. The Exercise Notice will be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together and of any Tax Obligations (as defined in Section 6(a)). This Option will be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by the aggregate Exercise Price.

5. Method of Payment. Payment of the aggregate Exercise Price will be by any of the following, or a combination thereof, at the election of Participant:

    a. cash;

    b. check;

    c. consideration received by the Company under a formal cashless exercise program adopted by the Company in connection with the Plan; or

d. if Participant is a U.S. employee, surrender of other Shares which have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Exercised Shares, provided that accepting such Shares, in the sole discretion of the Administrator, will not result in any adverse accounting consequences to the Company.

6. Tax Obligations.

a. Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "Employer"), the ultimate liability for any tax and/or social insurance liability obligations and requirements in connection with the Option, including, without limitation, (a) all federal, state, and local taxes (including the Participant's Federal Insurance Contributions Act (FICA) obligation) that are required to be withheld by the Company or the Employer or other payment of tax-related items related to Participant's participation in the Plan and legally applicable to Participant, (b) the Participant's and, to the extent required by the Company (or Employer), the Company's (or Employer's) fringe benefit tax liability, if any, associated with the grant, vesting, or exercise of the Option or sale of Shares, and (c) any other Company (or Employer) taxes the responsibility for which the Participant has, or has agreed to bear, with respect to the Option (or exercise thereof or issuance of Shares thereunder) (collectively, the "Tax Obligations"), is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax Obligations in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends or other distributions, and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate Participant's liability for Tax Obligations or achieve any particular tax result. Further, if Participant is subject to Tax Obligations in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax Obligations in more than one jurisdiction. If Participant fails to make satisfactory arrangements for the payment of any required Tax Obligations hereunder at the time of the applicable taxable event, Participant acknowledges and agrees that the Company may refuse to issue or deliver the Shares.

b. Tax Withholding. When the Option is exercised, Participant generally will recognize immediate U.S. taxable income if Participant is a U.S. taxpayer. If Participant is a non-U.S. taxpayer, Participant will be subject to applicable taxes in his or her jurisdiction. Pursuant to such procedures as the Administrator may specify from time to time, the Company and/or Employer shall withhold the minimum amount required to be withheld for the payment of Tax Obligations. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit Participant to satisfy such Tax Obligations, in whole or in part (without limitation), if permissible by applicable local law, by (a) paying cash, (b) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the amount of such Tax Obligations, (c) withholding the amount of such Tax Obligations from Participant's wages or other cash compensation paid to Participant by the company and/or the Employer, (d) delivering to the Company already vested and owned Shares having a Fair Market Value equal to such Tax Obligations, or (e) selling a sufficient number of such Shares otherwise deliverable to Participant through such means as the Company may determine in its sole discretion (whether through a broker or otherwise) equal to the amount of the Tax Obligations. To the extent determined appropriate by the Company in its discretion, it will have the right (but not the obligation) to satisfy any Tax Obligations by reducing the number of Shares otherwise deliverable to Participant. Further, if Participant is subject to tax in more than one jurisdiction between the Date of Grant and a date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges and agrees that the Company and/or the Employer (and/or former employer, as applicable) may be required to withhold or account for tax in more than one jurisdiction. If Participant fails to make satisfactory arrangements for the payment of any required Tax Obligations hereunder at the time of the Option exercise, Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to deliver the Shares if such amounts are not delivered at the time of exercise.

c. Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Date of Grant, or (ii) the date one (1) year after the date of exercise, Participant will immediately notify the Company in writing of such disposition. Participant agrees that Participant may be subject to income tax withholding by the Company on the compensation income recognized by Participant.

d. Code Section 409A. Under Code Section 409A, an option that vests after December 31, 2004 (or that vested on or prior to such date but which was materially modified after October 3, 2004) that was granted with a per share exercise price that is determined by the Internal Revenue Service (the "IRS") to be less than the fair market value of a share on the date of grant (a "Discount Option") may be considered "deferred compensation." A Discount Option may result in (i) income recognition by Participant prior to the exercise of the option, (ii) an additional twenty percent (20%) federal income tax, and (iii) potential penalty and interest charges. The Discount Option may also result in additional state income, penalty and interest charges to Participant. Participant acknowledges that the Company cannot and has not guaranteed that the IRS will agree that the per Share Exercise Price of this Option equals or exceeds the Fair Market Value of a Share on the Date of Grant in a later examination. Participant agrees that if the IRS determines that the Option was granted with a per Share Exercise Price that was less than the Fair Market Value of a Share on the Date of Grant, Participant will be solely responsible for Participant's costs related to such a determination.

7. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book entry form) will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). After such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares.

8. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY (OR THE EMPLOYER) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE EMPLOYER) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

9. Nature of Grant. In accepting the Option, Participant acknowledges, understands and agrees that:

a. the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

b. all decisions with respect to future option or other grants, if any, will be at the sole discretion of the Company;

c. Participant is voluntarily participating in the Plan;

d. the Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation;

e. the Option and Shares acquired under the Plan and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

f. the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;

g. if the underlying Shares do not increase in value, the Option will have no value;

h. if Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price;

i. for purposes of the Option, Participant's engagement as a Service Provider will be considered terminated as of the date Participant is no longer actively providing services to the Company or any Parent or Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Award Agreement (including by reference in the Notice of Grant to other arrangements or contracts) or determined by the Administrator, (i) Participant's right to vest in the Option under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is a Service Provider or Participant's employment or service agreement, if any, unless Participant is providing bona fide services during such time); and (ii) the period (if any) during which Participant may exercise the Option after such termination of Participant's engagement as a Service Provider will commence on the date Participant ceases to actively provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's engagement agreement, if any; the Administrator shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of his or her Option grant (including whether Participant may still be considered to be providing services while on a leave of absence);

j. unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Award Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

k. the following provisions apply only if Participant is providing services outside the United States:

i. the Option and the Shares subject to the Option are not part of normal or expected compensation or salary for any purpose;

ii. Participant acknowledges and agrees that none of the Company, the Employer, or any Parent or Subsidiary shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Option or of any amounts due to Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise; and

iii. no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from the termination of Participant's engagement as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is a Service Provider or the terms of Participant's employment or service agreement, if any), and in consideration of the grant of the Option to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company, any Parent, any Subsidiary or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, any Parent or Subsidiary and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim.

10. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

11. **Data Privacy**. ***Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Award Agreement and any other Option grant materials by and among, as applicable, the Employer, the Company and any Parent or Subsidiary for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.***

Participant understands that the Company and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to a stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country of operation (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes the Company and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing Participant's participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her engagement as a Service Provider and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant Options or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

12. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company at Pulse Biosciences, Inc., 849 Mitten Rd. #104, Burlingame, CA 94010, or at such other address as the Company may hereafter designate in writing.

13. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant.

14. Successors and Assigns. The Company may assign any of its rights under this Award Agreement to single or multiple assignees, and this Award Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Award Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns. The rights and obligations of Participant under this Award Agreement may only be assigned with the prior written consent of the Company.

15. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration, qualification or rule compliance of the Shares upon any securities exchange or under any state, federal or foreign law, the tax code and related regulations or under the rulings or regulations of the United States Securities and Exchange Commission or any other governmental regulatory body or the clearance, consent or approval of the United States Securities and Exchange Commission or any other governmental regulatory authority is necessary or desirable as a condition to the purchase by, or issuance of Shares, to Participant (or his or her estate) hereunder, such purchase or issuance will not occur unless and until such listing, registration, qualification, rule compliance, clearance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company. Subject to the terms of the Award Agreement and the Plan, the Company shall not be required to issue any certificate or certificates for Shares hereunder prior to the lapse of such reasonable period of time following the date of exercise of the Option as the Administrator may establish from time to time for reasons of administrative convenience.

16. Language. If Participant has received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

17. Interpretation. The Administrator will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. Neither the Administrator nor any person acting on behalf of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

18. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to Options awarded under the Plan or future options that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

19. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

20. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

21. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

22. Governing Law and Venue. This Award Agreement will be governed by the laws of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of San Francisco, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this Option is made and/or to be performed.

23. Country Addendum. Notwithstanding any provisions in this Award Agreement, this Option shall be subject to any special terms and conditions set forth in any appendix to this Award Agreement for Participant's country (the "Country Addendum"). Moreover, if Participant relocates to one of the countries included in the Country Addendum, the special terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Country Addendum constitutes part of this Award Agreement.

24. Modifications to the Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Code Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code in connection with the Option.

25. No Waiver. Either party's failure to enforce any provision or provisions of this Award Agreement shall not in any way be construed as a waiver of any such provision or provisions, nor prevent that party from thereafter enforcing each and every other provision of this Award Agreement. The rights granted both parties herein are cumulative and shall not constitute a waiver of either party's right to assert all other legal remedies available to it under the circumstances.

26. Tax Consequences. Participant has reviewed with its own tax advisors the U.S. federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Award Agreement. With respect to such matters, Participant relies solely on such advisors and not on any statements or representations of the Company or any of its agents, written or oral. Participant understands that Participant (and not the Company) shall be responsible for Participant's own tax liability that may arise as a result of this investment or the transactions contemplated by this Award Agreement.

PULSE BIOSCIENCES, INC.
2017 EQUITY INCENTIVE PLAN
STOCK OPTION AGREEMENT
COUNTRY ADDENDUM

TERMS AND CONDITIONS

This Country Addendum includes additional terms and conditions that govern the Option granted to Participant under the Plan if Participant works in one of the countries listed below. If Participant is a citizen or resident of a country (or is considered as such for local law purposes) other than the one in which he or she is currently working or if Participant relocates to another country after receiving the Option, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to Participant.

Certain capitalized terms used but not defined in this Country Addendum shall have the meanings set forth in the Plan, the and/or the Award Agreement to which this Country Addendum is attached.

NOTIFICATIONS

This Country Addendum also includes notifications relating to exchange control and other issues of which Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the countries listed in this Country Addendum, as of May 16, 2017. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the notifications herein as the only source of information relating to the consequences of his or her participation in the Plan because the information may be outdated when Participant exercises the Option or sells Shares acquired under the Plan.

In addition, the notifications are general in nature and may not apply to Participant's particular situation, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in Participant's country may apply to Participant's situation.

Finally, if Participant is a citizen or resident of a country other than the one in which Participant is currently working (or is considered as such for local law purposes) or if Participant moves to another country after the Option is granted, the information contained herein may not be applicable to Participant.

EXHIBIT A
PULSE BIOSCIENCES, INC.
2017 EQUITY INCENTIVE PLAN
EXERCISE NOTICE

Pulse Biosciences, Inc.
3957 Point Eden Way,
Hayward, CA 94545
Attention: Stock Administration

1. Exercise of Option. Effective as of today, _____, _____, the undersigned ("Purchaser") hereby elects to purchase _____ shares (the "Shares") of the Common Stock of Pulse Biosciences, Inc. (the "Company") under and pursuant to the 2017 Equity Incentive Plan (the "Plan") and the Stock Option Agreement, dated _____ and including the Notice of Grant, the Terms and Conditions of Stock Option Grant, and appendices and exhibits attached thereto (the "Award Agreement"). The purchase price for the Shares will be $_____, as required by the Award Agreement.

2. Delivery of Payment. Purchaser herewith delivers to the Company the full purchase price of the Shares and any Tax Obligations (as defined in Section 7(a) of the Award Agreement) to be paid in connection with the exercise of the Option.

3. Representations of Purchaser. Purchaser acknowledges that Purchaser has received, read and understood the Plan and the Award Agreement and agrees to abide by and be bound by their terms and conditions.

4. Rights as Stockholder. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to the Option, notwithstanding the exercise of the Option. The Shares so acquired will be issued to Purchaser as soon as practicable after exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance, except as provided in Section 15 of the Plan.

5. Tax Consultation. Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted with any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. Entire Agreement; Governing Law. The Plan and Award Agreement are incorporated herein by reference. This Exercise Notice, the Plan and the Award Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to the subject matter hereof, and may not be modified adversely to the Purchaser's interest except by means of a writing signed by the Company and Purchaser. This agreement is governed by the internal substantive laws, but not the choice of law rules, of California.

Submitted by:
PURCHASER

_____
Signature

_____
Print Name

Address:

_____

_____

PULSE BIOSCIENCES, INC.

_____
By

_____
Its

_____
Date received

Exhibit 14.1

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

Pulse Biosciences, Inc. ("***Pulse Biosciences***") is committed to maintaining the highest standards of business conduct and ethics. This Code of Business Conduct and Ethics ("***Code***") reflects the business practices and principles of behavior that support this commitment, and is designed to deter wrongdoing and promote the standards set forth within. This Code does not address every issue that may arise in the course of your work, but it sets out basic principles and standards applicable to all Pulse Biosciences employees, officers, directors, temporary agency personnel and contract personnel on a worldwide basis ("***Pulse Biosciences Personnel***") who must conduct themselves in accordance with this Code and seek to avoid even the appearance of improper behavior, and is designed to deter wrongdoing and promote the standards set forth within. We expect all Pulse Biosciences Personnel to read and understand the Code and its application to the performance of his or her business responsibilities.

Failure to adhere to the Code may result in disciplinary action, up to, and including, termination of your employment or other relationship with the Company, as applicable. Failure to report wrongdoing of which you have knowledge may, in itself, be a basis for disciplinary action.

Officers, managers, and other supervisors are expected to develop in employees a sense of commitment to the letter and spirit of the Code. Those who lead or direct the work of employees or contractors, or any distributors, agents, or other third parties acting on our behalf, are also expected to ensure that all such employees, contractors, and other third parties conform to Code standards when working for or on behalf of Pulse Biosciences. The compliance environment within each supervisor's assigned area of responsibility will be a factor in evaluating the quality of that individual's performance.

This Code covers a wide range of business practices and procedures and is designed to encourage ethical behavior and promote the standards set forth below. It is intended to advise Pulse Biosciences Personnel of situations that could possibly result in non-compliance with applicable laws, rules or regulations. While strict compliance by Pulse Biosciences Personnel with applicable legal requirements is not a new policy, this Code is intended to establish a framework for compliance. This Code does not include all of Pulse Biosciences' practices that are designed to achieve compliance with legal and ethical requirements, as Pulse Biosciences maintains and implements other policies and procedures that are intended to supplement the Code. Pulse Biosciences Personnel are also subject to other agreements, such as confidentiality and non-competition agreements, and agreements to protect our intellectual property.

From time to time we may adopt additional policies and procedures with which Pulse Biosciences Personnel are expected to comply, if applicable to them. However, it is the responsibility of each Pulse Biosciences Personnel to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in the Code. If a Pulse Biosciences Personnel is uncertain about a course of action, he or she should consult the Chief Financial Officer (the "***Compliance Officer***") or Pulse Biosciences' outside legal counsel ("***Counsel***"). To the extent that there is any conflict between a national, state or local law, rule or regulation and a policy in this Code, you must comply with the applicable law or regulation; however, if a local custom or policy conflicts with this Code, you must comply with this Code.

If you have any questions about these conflicts, you should ask Pulse Biosciences' Compliance Officer.

Action by members of your immediate family, significant others or other persons who live in your household or are dependent on you for their well-being (referred to in the Code as "***Family Members***") also may potentially result in ethical issues to the extent that they involve Pulse Biosciences' business. For example, acceptance of inappropriate payments or gifts by a Family Member from one of our suppliers could create a conflict of interest and result in a Code violation attributable to you; likewise, the purchase or sale of stock by a family member while in possession of material, non-public information could be a violation of insider trading laws and result in a Code violation attributable to you. Consequently, in complying with the Code, you should consider not only your own conduct, but also that of your immediate Family Members, significant others and other persons who live in your household.

YOU SHOULD NOT HESITATE TO ASK QUESTIONS ABOUT WHETHER ANY CONDUCT MAY VIOLATE THE CODE, VOICE CONCERNS, OR CLARIFY GRAY AREAS. SECTION 14 BELOW DETAILS THE COMPLIANCE RESOURCES AVAILABLE TO YOU. IN ADDITION, YOU MUST BE ALERT TO POSSIBLE VIOLATIONS OF THE CODE BY OTHERS AND REPORT SUSPECTED VIOLATIONS, WITHOUT FEAR OF ANY FORM OF RETALIATION, AS FURTHER DESCRIBED IN SECTION 13.

1. Corporate Integrity

It is the policy of Pulse Biosciences to promote high standards of integrity by conducting our affairs in an honest and ethical manner. The integrity and reputation of Pulse Biosciences depends on the honesty, fairness and integrity brought to the job by each person associated with us. Unyielding personal integrity is the foundation of corporate integrity. This responsibility cannot be delegated or assumed by Pulse Biosciences or any supervisor.

2. Conflicts of Interest

Your decisions and actions during your employment with Pulse Biosciences should be based on the best interests of Pulse Biosciences, and not personal relationships or benefits. A "conflict of interest" exists when a person's private interests interfere, or appear to interfere, with the interests of Pulse Biosciences. A conflict situation can arise when an employee or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an employee or director, or a member of his or her family, receives improper personal benefits as a result of his or her position with the Company. You must avoid any private interest that may influence your ability to act in the interests of Pulse Biosciences or that may make it difficult for you to perform your work objectively.

Conflicts of interest are prohibited as a matter of Company policy. The mere existence of a relationship with outside firms is not automatically prohibited. While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common conflicts that employees should avoid include the following:

- Confidential Information of the Company. Unauthorized divulging of confidential information to outsiders and misuse of confidential information is a violation of this policy whether or not for personal gain and whether or not harm to the Company is intended.

- Confidential Information of Other Parties. No Pulse Biosciences Personnel may improperly use or disclose to the Company any proprietary information or trade secrets of any former or concurrent employer or other person or entity with whom obligations of confidentiality exist, or improperly use or authorize the use of any inventions that are the subject of patent claims of any other person or entity.

- Outside Employment. Pulse Biosciences strongly discourages outside employment. You may not have outside employment or business dealings with any of the following: (i) any organization that prepares, audits or certifies statements or documents pertinent to our business and financial accounts, and (ii) our current and potential clients, competitors, vendors and suppliers.

- Receiving Improper Financial Interests. No Pulse Biosciences Personnel may provide or obtain improper benefits or favors because of his or her position with Pulse Biosciences. For example, no Pulse Biosciences Personnel may accept or offer substantial personal gifts or excessive entertainment, favors, or payments to or from competitors, customers, suppliers, or potential suppliers, which may be deemed to constitute undue influence or otherwise be improper or embarrassing to the Company. Further, no Pulse Biosciences Personnel may have a financial interest, either directly or through a Family Member, in a business enterprise if that interest affects the performance of their duties or conflicts with the interests of Pulse Biosciences.

- Conflicting Financial Interests. Having a direct or indirect financial interest in, or relationship with, a competitor, customer or supplier, where such interest or relationship might influence in any manner a decision or course of action by the employee that affects Pulse Biosciences, except that ownership of less than 0.1% of the publicly-traded stock of a corporation will not be considered a conflict.

- Corporate Opportunity. No person may use Pulse Biosciences property or information, or his or her position with Pulse Biosciences, to secure a personal business opportunity or a business opportunity for a Family Member. If you discover a business opportunity through the use of Pulse Biosciences property, information, or through your position at Pulse Biosciences, you must first present the opportunity to Pulse Biosciences before pursuing the opportunity in your individual capacity.

- Service on Boards or Committees. No Pulse Biosciences Personnel may serve on a board of directors or trustees or on a committee of any entity whose interests could be expected to conflict with those of Pulse Biosciences. Pulse Biosciences Personnel must obtain approval from the Compliance Officer before accepting any such position. Community participation by Pulse Biosciences Personnel is considered important, however, Pulse Biosciences also encourages those planning on participating in a charitable or other community organization to consult with the Compliance Officer before taking a service or board position with those types of entities.

- Fees and Honorariums. With prior approval, Pulse Biosciences personnel acting in their capacity as a representative of Pulse Biosciences, may give lectures, conduct seminars, publish articles in books or engage in any other similar activity for which he or she may be paid a fee or honorarium. However, any fees, honorariums or reimbursements must be transferred to Pulse Biosciences unless written approval is given to retain them.

In certain exceptional circumstances, a situation involving a conflict of interest may be permitted. See the section titled "Amendment, Modification and Waiver" regarding waivers of this Code of Conduct.

A conflict of interest will sometimes develop accidentally and is not always easy to identify. If you feel you have a conflict, you must disclose it to the Compliance Officer; further, any potential conflicts must be identified in connection with your annual review of this Code. Finally, if you observe a situation that you believe to be a conflict, you must report that as well.

3. Insider Trading

Pulse Biosciences maintains an Insider Trading Policy that prohibits all trading activities in Pulse Biosciences securities as well as the securities of other companies while you are in possession of material, non-public information, and places other restrictions on the manner and timing in which employees may invest in Pulse Biosciences securities and on the types of Pulse Biosciences securities in which employees may invest. The Insider Trading Policy also prohibits the unauthorized dissemination of material non-public information concerning Pulse Biosciences to others who may benefit by trading on the basis of such information. Additionally, Family Members may not a) trade in stock or other securities while in possession of material nonpublic information or b) pass on material nonpublic information to others without express authorization by Pulse Biosciences or recommend to others that they trade in stock or other securities based on material non-public information.

Members of the Board, executive officers, and employees are subject to blackout periods during which they are prohibited from trading in Pulse Biosciences' stock.

Please review Pulse Biosciences' Insider Trading policy. Specific questions on buying and selling stock should be referred to the Compliance Officer. Violation of this section of the Code and other policies about insider trading may result in a violation of securities laws and potentially exposes Pulse Biosciences Personnel and Pulse Biosciences to significant legal fines and imprisonment.

4. Competition and Fair Dealing

Pulse Biosciences seeks to compete fairly and honestly. Pulse Biosciences Personnel should endeavor to respect the rights of and deal fairly with our customers, suppliers, competitors and employees. No Pulse Biosciences Personnel should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. The basic principal is that no gift or entertainment may be accepted or provided if it obligates you, or appears to obligate you, to the individual receiving or giving the gift or entertainment. Unless approved in advance by the Compliance Officer, government officials of the United States, the states and municipalities and officials of foreign governments at all levels should not be entertained in any special manner or given any gifts. No gift or entertainment should ever be offered, given, provided or accepted by any Pulse Biosciences Personnel, Family Member or agent unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws or regulations. Please discuss with the Compliance Officer any gifts or proposed gifts which you are not certain are appropriate to give or receive.

Pulse Biosciences also has strict rules concerning contractual agreements. All terms of our business agreements must be expressed in an approved form of contract or purchase order. Informal commitments to customers are strictly prohibited; these kinds of commitments might be made in a face to face conversation, a telephone call, or an email. Therefore, persons must be careful to use only our approved forms of contracting and not to unintentionally modify a written and approved contract, purchase order or other agreement.

5. Respecting Others

Pulse Biosciences is committed to fostering an inclusive workplace where talented people want to stay and develop their careers and advance the scientific area in which we operate. Supporting a diverse, engaged workforce allows us to be successful in building trust, empowering teams, and outperforming our peers and competitors.

Pulse Biosciences requires the Pulse Biosciences Personnel to act with mutual respect and give professional treatment to others in our workplace. Teamwork is essential to our future, and nothing damages a team more quickly than a lack of mutual respect. Pulse Biosciences Personnel share a mutual responsibility to keep one another informed of any information that may be important to everyone's job performance and understanding our business and goals.

Pulse Biosciences recognizes your right to form personal relationships with those you meet in the workplace; however, you are expected to use good judgment to ensure your personal relationships do not negatively affect your job performance or interfere with your or our ability to supervise Pulse Biosciences Personnel. Favoritism, open displays of affection and making business decisions based on emotions or personal relationships are inappropriate. Situations that involve borrowing money or making loans between Pulse Biosciences Personnel or involving Family Members must be avoided, unless it is a minimal amount. Similarly, exceptional gifts and entertainment between and among Pulse Biosciences Personnel can create conflicts and such situations should be avoided. Use your good judgment to act respectfully to one another.

6. Obligations to Each Other

A. Equal Employment Opportunity

Pulse Biosciences is firmly committed to providing equal opportunity in all aspects of employment and strictly prohibits any form of harassment in the workplace on the basis of a protected characteristic, such as race, religion, creed, color, sex, age, marital status, national origin, sexual orientation, citizenship status, Vietnam-era or disabled veteran status, medical condition or physical or mental disability. We will promptly take appropriate action to prevent and discipline behavior that violates this policy.

Pulse Biosciences will not tolerate harassment of an employee in any of the areas listed above. Any employee who violates this policy is subject to discipline up to and including discharge. Any incident of harassment by any person should be reported promptly to management. Appropriate confidential action will be taken.

B. No Harassment

Pulse Biosciences will not tolerate any form of harassment. Harassment in employment on the basis of sex, race, color, national origin, ancestry, citizenship, religion, age, physical or mental disability, medical condition, sexual orientation, gender identity or veteran or marital status is unlawful under federal and state law. Our policy against harassment applies in all work-related settings and activities, whether on or off company premises. It also extends to Pulse Biosciences Personnel interactions with our supplies, vendors, clinical participants and other with which Pulse Biosciences acts. Therefore, think before you speak or act; be careful about what you say and do, where you say or do something, when you say or do something and your objective in something you say or your actions, which might be received as inappropriate or as harassment.

Unlawful harassment in employment may take many different forms, forms and includes pictures, drawings, cartoons, jokes, slurs and offensive remarks, whether delivered verbally, graphically or in electronic media, including email. Some examples are:

- Inappropriate remarks about a person’s race, color, sex, age, sexual orientation, gender identity, religion, disability, national origin and other legally protected status;

- Verbal conduct such as epithets, derogatory comments, slurs, or unwanted comments and jokes;

- Visual conduct such as derogatory posters, cartoons, drawings or gestures;

- Physical conduct such as blocking normal movement, restraining, touching, or otherwise physically interfering with the work of another individual;

- Threatening or demanding that an individual submit to certain conduct or perform certain actions in order to keep or get a job, to avoid some other loss, or as a condition of job benefits, security or promotion; and

- Retaliation by any of the above means for having reported harassment or discrimination, or having assisted another employee to report harassment or discrimination.

Sexual harassment includes intentional or unintentional, unwelcome sexual advances with or without touching, coerced sexual acts, requests or demands for sexual favors or other verbal or physical conduct of a sexual nature, when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;

- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or

- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

C. Violence Prevention

Pulse Biosciences is committed to providing a safe, violence-free workplace and strictly prohibits employees, consultants, customers, visitors, or anyone else on Pulse Biosciences premises from behaving in a violent or threatening manner. Workplace violence can include, but is not limited to threats, violent behavior, bringing weapons onto Pulse Biosciences premises, or causing physical damage.

Pulse Biosciences Personnel many not bring weapons onto Pulse Biosciences property or to Pulse Biosciences sponsored events. This includes weapons used for sporting purposes or otherwise, whether or not you have a license to carry or use the weapons. Weapons of any kind have no place in the work environment.

Pulse Biosciences encourages reports of potential or actual violence, and will take appropriate corrective action, which may include warnings, probation, or termination.

D. Safety

Pulse Biosciences desires to maintain safe working conditions for all employees. All employees must be safety conscious and report any potential safety hazards at any site where you may be conducting work on behalf of Pulse Biosciences immediately to management.

Any injury, no matter how minor, during the course of employment must be reported promptly to your manager. If you or another employee is injured on the job, you should seek medical treatment immediately. If necessary, call an ambulance. If the injury is less serious, contact management and make arrangements to get medical help. If you are injured, you may be sent to one of Pulse Biosciences' designated physicians for medical treatment, dependent upon circumstances.

Pulse Biosciences Personnel should also be alert to individuals who are on Pulse Biosciences property without proper authorization. Make sure you observe all physical access rules in your location and report incidents of unauthorized entry to your manager or to security personnel.

E. Substance Abuse

We seek to maintain safe and efficient working conditions for our employees in an environment free of alcohol and drugs. Substance abuse is incompatible with health, safety and success at Pulse Biosciences. All employees must abide by the following policy as a condition of continued employment.

Pulse Biosciences prohibits the unauthorized use, possession, purchase, sale, manufacture, distribution, transportation or dispensation of alcohol or being under the influence of alcohol while performing Company business or while on Company premises during normal working hours, with the exception of reasonable consumption of alcohol when served at Company-sponsored events.

Pulse Biosciences also prohibits the unlawful use, possession, purchase, sale, manufacture, distribution, transportation or dispensation of any illegal drug or other controlled substance or being under the influence of illegal drugs or other controlled substances, including the abuse of a legal drug or working while impaired by the use of a legal drug, while performing Company business or being on Company premises.

F. Health and Safety

Pulse Biosciences strives to provide a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all Pulse Biosciences Personnel by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

7. Financial Integrity

Accurate and reliable financial and business records are of critical importance in meeting Pulse Biosciences' financial, legal, and business obligations. You must complete all Pulse Biosciences documents accurately, truthfully, and in a timely manner, including all travel and expense reports. The making of false or misleading entries, records, reports or documentation is strictly prohibited.

We are required to disclose accurate and complete information regarding Pulse Biosciences and the results of our operations. It is Pulse Biosciences policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all documents that Pulse Biosciences provides to investors, government agencies, and in all other public communications made by Pulse Biosciences.

Dishonest or inaccurate reporting can lead to civil or even criminal liability for you and Pulse Biosciences and can lead to a loss of public faith in Pulse Biosciences. Anyone who believes that a violation of law or a failure of compliance has occurred, or is occurring, has a duty to report such information to the General Counsel or to the Audit Committee of the Board of Directors.

8. Confidentiality

Pulse Biosciences Personnel must maintain the confidentiality of confidential information entrusted to them by Pulse Biosciences. Confidential information includes all non-public information regarding Pulse Biosciences, including but not limited to our research activities and results of our research and development, our past, current and intended technologies, our patents, our know-how, and the conduct and results of any clinical trials as well as, in the case of human subjects, the particulars about participants in those trials, personnel and benefit files as well as other information about employees, computer records, financial data, details of engagement, process descriptions, technical and business information, production, manufacturing and engineering processes, finances, customers, marketing and production and future business plans of Pulse Biosciences. Confidential information also includes information about our licensors and licensees, our suppliers and our customers. Additionally, you should not discuss the private affairs of your co-workers and their work histories. Our employees are subject to non-competition, confidentiality, inventions and secrets provisions in separate agreements, which must be strictly followed. The obligation to preserve confidential information continues even after employment ends.

9. Protection and Proper Use of Pulse Biosciences Assets

Pulse Biosciences Personnel should endeavor to protect all of our assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on Pulse Biosciences' profitability. Pulse Biosciences equipment should not be used for non-company business, though incidental personal use may be permitted.

The obligation of Pulse Biosciences Personnel to protect our assets includes protecting its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate this Code and other policies of Pulse Biosciences as well as employment related agreements. It could also be illegal. This behavior may result in dismissal and result in civil or criminal penalties.

10. Working with Government Personnel

Pulse Biosciences from time to time may work with government agencies in different capacities, such as the approval process for our technologies, licensing of our technologies, patent prosecutions, and government grants. While you must follow the standards of doing what is right with any party with which Pulse Biosciences has concourse, because government officials are obligated to follow specific codes of conduct and laws, special care must be taken in government procurement. Pulse Biosciences maintains an Anti-Corruption Policy that sets forth its commitment to the highest level of professional and ethical standards in the conduct of its business in all countries in which it operates or otherwise has business connections, including the United States. Some key requirements for doing business with government are:

- Accurately representing which Company products are covered by government contracts;
- Not improperly soliciting or obtaining confidential information, such as sealed competitors' bids, from government officials prior to the award of a contract; and
- Hiring present and former government personnel may only occur in compliance with applicable laws and regulations (as well as consulting the Compliance Officer).

You also must not accept or present anything if it obligates you, or appears to obligate you, to do something for any government official or other person. Don't attempt to avoid laws by making payments to or through third parties: be cautious when selecting or dealing with agents and third-party providers. Never make any payment that you do not record on the Pulse Biosciences books and records. Never issue invoices or charges that are inaccurate, incorrect or unauthorized.

Pulse Biosciences Personnel are expected to cooperate with government officials in investigations and audits. Do not avoid, contravene or otherwise interfere with any government investigation or audit, and do not destroy or alter any Pulse Biosciences documents (whether electronic or paper) in anticipation of a request for those documents from a government body.

A. Gifts and Entertainment for U.S. Officials

The U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. What is acceptable in the commercial business environment may be entirely unacceptable in dealings with the U.S. government. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor (which can include a promise to do something) or other gratuity in violation of these rules would not only violate Pulse Biosciences policy but could also be a criminal offense. For example, it may be illegal to give even an inexpensive gift or meal to a U.S. government employee or official. The rules vary depending on the location of and the position held by the government employee or official; state and local governments may also have similar rules. To prevent violations, review planned gifts, meals or entertainment for U.S. government employees or officials with the Compliance Officer advance, and be sure to accurately document all such business expenses.

B. Gifts and Entertainment for Non-U.S. Officials

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value (including gifts, meals, entertainments, transportation, lodging, or other benefits), directly or indirectly, to officials and their Family Members of foreign governments or foreign political candidates in order to obtain or retain business. Pulse Biosciences Personnel are strictly prohibited from making illegal payments to government officials of any country.

C. Trade Restrictions and Export Controls

Many countries periodically impose restrictions on exports and other dealings with certain other countries, persons, or groups. Export laws may control trading of commodities or technologies that are considered to be strategically important because they have the potential to be used for military purposes. Laws may cover travel to or from a sanctioned country, imports or exports, new investments, and other related topics. Certain laws also prohibit support of boycott activities. If your work involves the sale or shipment of products, technologies or services across international borders, check with the Compliance Officer to ensure compliance with any laws or restrictions that apply.

11. Amendment, Modification and Waiver

Any amendment or waiver of any provision of this Code of Conduct must be approved in writing by the Board, or any committee of the Board to which such authority has been delegated, and promptly disclosed pursuant to applicable laws and regulations. Any waiver or modification of this Code of Conduct for the Company's principal executive and senior financial officers will be promptly disclosed to the Company's stockholders if and as required by applicable law and/or the rules of the applicable stock exchange.

12. Reporting any Illegal or Unethical Behavior

Pulse Biosciences Personnel are strongly encouraged bring questions or concerns about what to do in a certain situation or if you believe someone is doing, or is about to do, something that violates the law, Pulse Biosciences policies or this Code. Pulse Biosciences Personnel should discuss observed illegal or unethical behavior with supervisors, managers or other appropriate personnel, such as the Compliance Officer.

13. No Retaliation

Pulse Biosciences values an atmosphere of open communication for all Company employees. Pulse Biosciences has zero tolerance for acts of retaliation by Pulse Biosciences Personnel against one another, and does not and will not permit retaliation of any kind by or on behalf of the Company, or its directors, officers or employees, against good faith reports or complaints of suspected violations of this Code or other illegal or unethical conduct. Zero means zero – no one has the authority to justify any act of retaliation. Any Pulse Biosciences Personnel who engages in retaliation will be subject to disciplinary action, up to and including termination.

14. Compliance Procedures

We must all work to ensure prompt and consistent action against violations of the Code. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.

- Seek help from Pulse Biosciences resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, you may discuss the situation with either the Compliance Officer or Counsel. If you prefer to submit your concerns in writing, address them to:

  Pulse Biosciences, Inc.
  Attn: Compliance Officer
  3957 Point Eden Way
  Hayward, California 94545

- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. Pulse Biosciences does not permit retaliation of any kind against employees for good faith reports of ethical violations.

15. Investigations of Suspected Violations

All reported violations of the Code will be promptly investigated and treated confidentially to the extent reasonably possible. Audits to monitor compliance will be conducted as commercially reasonable and necessary or as required by applicable law or regulation.

16. Discipline for Violations

Pulse Biosciences will use every reasonable effort to prevent conduct not in compliance with the Code and to halt any such conduct as soon as possible after its discovery. Subject to applicable law and agreements, Pulse Biosciences Personnel who violate this Code and other Pulse Biosciences policies and procedures may be subject to disciplinary action, up to and including discharge.

17. Remember

Ultimate responsibility to ensure that we as a company comply with the many laws, regulations and ethical standards affecting our business rests with each of us. You must become familiar with and conduct yourself strictly in compliance with those laws, regulations and standards and Pulse Biosciences' policies and guidelines pertaining to them.

ACKNOWLEDGMENT FORM

I have received and read the Pulse Biosciences Code of Business Conduct and Ethics, and I understand its contents. I agree to comply fully with the standards, policies and procedures contained in the Code and the related policies and procedures of Pulse Biosciences. I understand I have an obligation to report to my supervisors and/or the Compliance Officer of Pulse Biosciences any suspected violations of the Code that I am aware of. I acknowledge that the Code is a statement of policies for business conduct and does not, in any way, constitute an employment contract or an assurance of continued employment.

At this point in time, I am aware of the following circumstances that may constitute "conflicts of interest" or potential "conflicts of interest" as defined in the Code (identify, or if none, state "none"):

_____

_____

_____

_____

_____

Printed Name: _____

Signature: _____

Date: _____

INSIDER TRADING POLICY
As Amended and Approved by the Board of Directors
Effective February 19, 2026

Federal and state securities laws prohibit any person who is aware of material nonpublic information about a company from trading in securities of that company. These laws also prohibit a person from disclosing material nonpublic information to other persons who may trade on the basis of that information.

The Board of Directors of Pulse Biosciences, Inc. (together with its subsidiaries, collectively the "**Company**") has adopted this policy to promote compliance with these laws and to protect our Company from the serious liabilities and penalties that can result from violations of these laws. Insider trading is illegal and a violation of this policy.

It is your responsibility to comply with the securities laws and this policy. If you have questions about this policy, please contact our General Counsel and Corporate Secretary.

We have designated the General Counsel and Corporate Secretary as the Compliance Officer in respect of issues under this policy. The Compliance Officer may be changed from time to time by our Board of Directors or Chief Executive Officer and any change will be communicated to you. The Compliance Officer may designate others, from time to time, to assist with the execution of his or her duties under this policy.

I. PERSONS SUBJECT TO THIS POLICY

If you are an employee, officer, director, consultant, contractor, agent, or other service provider of the Company or any of its subsidiaries both inside and outside of the United States (each a "**Covered Person**"), then this policy applies to you.

This policy also applies to your immediate family members, persons who share a household with you, persons who are your economic dependents, and any other person or entity whose transactions in securities are directed by you or are subject to your influence or control. You are responsible for making sure that these other persons and entities comply with this policy.

In addition to this policy, our directors, executive officers and certain other designated persons who have access to material nonpublic information about us are subject to a supplemental policy that imposes additional restrictions on their trading in Company securities.

II. CORE TRADING AND DISCLOSURE RESTRICTIONS

The following trading and disclosure restrictions apply under this policy:

- If you have material nonpublic information regarding us, you must not trade or advise anyone else to trade in our securities.
- If you have material nonpublic information regarding any other company that you obtained from your employment or relationship with us, you must not trade or advise anyone else to trade in the securities of that other company until such information has been publicly disclosed.
- Do not share material nonpublic information with people in our company whose jobs do not require them to have the information.
- Do not disclose any nonpublic information, material or otherwise, concerning the Company to anyone outside the Company without the prior authorization of the Compliance Officer.
- Do not use any material nonpublic information to express an opinion or make a recommendation about trading in our securities.

III. TRANSACTIONS COVERED BY THIS POLICY

This policy applies to any purchase, sale, loan or other transfer or disposition of Company securities, including our common stock, options to purchase our common stock, restricted stock units, any other type of securities that we may issue, such as preferred stock, convertible debentures and warrants, as well as any other arrangement that generates gains or losses from or based on changes in the prices of such securities including derivative securities (such as exchange-traded put or call options, swaps, caps and collars, hedging and pledging transactions, and short sales involving Company securities, as well as any offer to engage in the transactions discussed above.

Notwithstanding this general rule, certain transactions under Company benefit plans are not prohibited by this policy. These transactions are discussed in this policy under the heading "Exceptions to this policy for certain transactions under Company benefit plans."

IV. DEFINITION OF MATERIAL NONPUBLIC INFORMATION

Material information. Information about our company is "material" if there is a substantial likelihood that a reasonable shareholder or investor would consider it important in making a decision to buy, sell or hold our securities, or if the disclosure of the information would be expected to significantly alter the total mix of the information in the marketplace about us. In simple terms, material information is any type of information that could reasonably be expected to affect the market price of our securities. Both positive and negative information may be material. It is not possible to define all categories of "material" information; however, some examples include, but are not limited to:

- financial results and earnings estimates (including changes of previously announced estimates);
- regulatory approvals for our products;
- or business plans or budgets, as well as a significant change in our operations, projections or strategic plans;
- a potential merger or acquisition;
- a potential sale of significant assets or subsidiaries;
- the gain or loss of a major supplier or customer;
- a new product or discovery;
- a significant pricing change in our products or services;
- a declaration of a stock split, a public or private securities offering by us or a change in our dividend policies or amounts;
- a change in senior management;
- a data breach or cybersecurity event; and
- an actual or threatened major lawsuit.

Nonpublic information. Nonpublic information is information that is not generally available to the investing public. If you are aware of material nonpublic information, subject to the trading window periods describe in Section VI below, you may not trade until the information has been widely disclosed to the public (for example, through a press release or an SEC filing) and the market has had sufficient time to absorb the information. For purposes of this policy, information will generally be considered public after the second full trading day following the Company's public release of the information. For example, if we issued a press release after the market opens on a Tuesday, the first day that trading could occur would be on Friday.

If you are not sure whether information is material or nonpublic, consult with the Compliance Officer for guidance before engaging in any transaction in Company securities.

V. UNAUTHORIZED DISCLOSURE OF INFORMATION

You are prohibited from disclosing to anyone inside or outside the Company any nonpublic information obtained at or through the Company, except when such disclosure is part of your regular duties and is needed to enable the Company to carry out its business properly and effectively.

We are subject to laws that govern the timing of our disclosures of material information to the public and others. Our Company's policy is that only certain designated employees may discuss the Company with the news media, securities analysts and investors. All inquiries from outsiders regarding material nonpublic information about the Company should be forwarded to the Company's Chief Executive Officer. Accordingly, when an inquiry is made by an outsider, the following response will generally be appropriate:

"As to these types of matters, the Company's spokesperson is its Chief Executive Officer. If there is any comment, he (or she) would be the one to contact."

The following procedures are appropriate in protecting the confidentiality of Company information: (i) avoid discussions of confidential matters in places where they might be overheard or otherwise disseminated; (ii) mark sensitive documents "confidential" and use sealed envelopes marked "confidential"; (iii) secure confidential documents and restrict the copying of sensitive documents; (iv) provide instructions to receptionists regarding outside inquiries; (v) use code names for sensitive projects; (vi) use passwords to restrict computer access; and (vii) do not use any Internet message boards or similar medium available to the public to post any unauthorized messages regarding the Company or our business, financial condition, employees, clients or other matters related to us.

VI. ADDITIONAL TRADING POLICY

You may not trade in Company securities outside of a trading window. For purposes of this policy, a "trading window" will commence at the close of business on the second full trading day following the day of public disclosure of the Company's financial results for a particular fiscal quarter or year and will terminate at the end of the 15th day of the third month of the quarter in which the information was disclosed. For example, with respect to the release of financial results for the Company's second fiscal quarter, the trading window would start at the close of business on the second full trading day following the day of public release of the Company's second quarter financial results and end on the close of business on September 15th. For the Company's fiscal year end release of financial results, the trading window would start at the close of business on the second trading day following the release of the Company's fiscal year financial results and end on the close of business on March 15th. For purposes of clarity, in the event that the Company releases its financial results for a particular fiscal quarter or year prior to the opening of trading on the morning of a particular trading day, that day shall be deemed the first trading day for purposes of this policy. For example, if the Company releases its financial results for a particular fiscal quarter or year prior to the opening of trading on a Tuesday morning that is otherwise a normal trading day (i.e., not a federal holiday), the trading window would start at the close of business on the following trading day, Wednesday.

Even during a trading window, you may not trade during a special blackout period. The Company always retains the right to impose additional or longer trading blackout periods at any time. You may not trade in Company securities during any special blackout periods that the Company may designate with the prior written approval of the Chief Executive Officer (or the Chief Financial Officer, if the Chief Executive Officer is unavailable). The Chief Executive Officer, Chief Financial Officer or Compliance Officer of the Company will advise you in writing of when a special blackout period commences and ends. You may not disclose to any outside third party that a special blackout period has been designated.

You may not trade during a trading window without prior notice and approval. During a trading window, you may trade in Company securities only after notifying and obtaining the approval of the Compliance Officer. If you decide to engage in a transaction involving Company securities during a trading window, you must notify the Compliance Officer in writing of the amount and nature of the proposed trade(s) at least two business days prior to the proposed transaction, and certify in writing that you are not in possession of material nonpublic information concerning the Company. You must not engage in the transaction unless and until the Compliance Officer provides his or her approval in writing. Any determination by the Compliance Officer to disapprove a proposed trade will require the concurrence of the Chief Executive Officer (or the Compensation Committee of the Board, if the Chief Executive Officer is unavailable). Proposed trades by the Chief Financial Officer will require approval by any of (i) the Chief Executive Officer; or (ii) the Compensation Committee of the Board. The Compliance Officer (or the Chief Executive Officer or Compensation Committee of the Board, as applicable) must consult with the Company's outside securities counsel prior to approving any transaction in the Company's securities. The existence of these approval procedures does not in any way obligate the Compliance Officer to approve any transaction.

Except as permitted by SEC rules, you may not trade in Company equity securities during a pension plan blackout period. If you are an executive officer or director, you may not trade or transfer during any pension fund blackout period any equity security of the Company that you acquired in connection with your service as an officer or director, except to the extent such trade or transfer is permitted by SEC rules. A pension plan blackout period is generally any period of more than three consecutive business days under an individual account plan during which purchases or sales of Company equity securities are prohibited under the plan (whether by us or a fiduciary of the plan), excluding certain regularly scheduled blackouts and blackouts imposed solely in connection with certain corporate transactions such as mergers. Any profits made by you in violation of this proscription are recoverable by us. We will notify plan participants, directors, officers and the SEC in advance of any pension plan blackout period.

You may not trade in puts or calls or engage in short sales with respect to Company securities. Trading in "puts" and "calls" (publicly traded options to sell or buy stock) and engaging in short sales are often perceived as involving insider trading and they may focus your attention on the Company's short-term performance rather than its long -term objectives. In addition, Section 16(c) of the Securities Exchange Act of 1934 prohibits officers and directors from engaging in short sales. Therefore, transactions in puts, calls and other derivative securities with respect to Company securities on an exchange or in any other organized market are prohibited by this policy, as are short sales of Company securities.

VII.CONSEQUENCES OF VIOLATING SECURITIES LAWS OR THIS POLICY

The consequences of violating the securities laws or this policy can be severe. They include the following:

Civil and criminal penalties. If you violate the insider trading or tipping laws, you may be required to:

- pay civil penalties up to three times the profit made or loss avoided
- pay a criminal penalty of up to $5 million
- serve a jail term of up to 20 years.

In addition, the Company and/or the supervisors of a person who violates these laws may also be subject to civil or criminal penalties if they did not take appropriate steps to prevent illegal trading.

Company Discipline. If you violate this policy or insider trading or tipping laws, you may be subject to disciplinary action by the Company, up to and including termination for cause. A violation of our Company policy is not necessarily the same as a violation of law and we may determine that specific conduct violates its policy, whether or not the conduct also violates the law. We are not required to await the filing or conclusion of a civil or criminal action against an alleged violator before taking disciplinary action.

Reporting of Violations. Any employee, officer, director, consultant, contractor, agent, or other service provider who violates this policy or any federal or state laws governing insider trading or tipping, or knows of any such violation by any other employee, officer or director, must report the violation immediately to the Chief Executive Offer.

VIII.EXCEPTIONS TO THIS POLICY FOR CERTAIN TRANSACTIONS UNDER COMPANY BENEFIT PLANS

Certain transactions in Company securities under Company benefit plans are not prohibited by this policy. These are:

Stock Option Exercises. This policy does not apply to your exercise of a stock option where the purchase of stock options is paid in cash and the shares continue to be held by you following such exercise. It also does not apply to your election to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This policy does apply, however, to sales of shares received upon exercise of an option.

Receipt and Vesting of Equity Awards. This policy does not apply to your receipt upon vesting of equity awards, including stock options, restricted stock units, restricted stock, or other equity compensation awards, provided that the shares continue to be held by you following such vesting. It also does not apply to your election to have the Company withhold shares subject to vesting to satisfy tax withholding requirements. This policy does apply, however, to sales of shares received upon such vesting.

ESPP Purchases. This policy does not apply to purchases from the Company's employee stock purchase plan. This policy does apply, however, to subsequent sales of such shares.

Sell to Cover Transactions. This policy does not apply to sell to cover transactions, to the extent approved and implemented by the Company, where shares are withheld by the Company upon vesting of equity awards and sold in order to satisfy tax withholding requirements; however, this exception does not apply to any other sale or trade.

Changes in Form of Ownership. This policy does not apply to changes in form of ownership, for example, a transfer from your individual ownership to a trust for which you are the trustee; provided that you continue to retain ownership of the shares following such change in the form of ownership.

401(k) Plan. This policy does not apply to purchases of Company stock in our 401(k) plan resulting from your periodic contribution of money to the plan through a payroll deduction election. This policy does apply, however, to certain elections you may make under our 401(k) plan, including (a) an election to increase or decrease the percentage of your periodic contributions that will be allocated to the Company stock fund, (b) an election to make an intra- plan transfer of an existing account balance into or out of the Company stock fund, (c) an election to borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance, and (d) your election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund.

IX. EXCEPTIONS TO THIS POLICY FOR TRANSACTIONS UNDER SEC RULE 10B5-1 TRADING PLANS

Rule 10b5-1 under the Securities Exchange Act of 1934 provides an affirmative defense against insider trading liability for transactions made pursuant to a qualifying written trading plan (a "**Trading Plan**"). Transactions under a pre-approved Trading Plan that complies with this Section IX are not prohibited by this policy, even if they occur during a blackout period or while the Covered Person possesses material nonpublic information.

To be eligible to enter into, modify, or terminate a Trading Plan, you must pre-clear its adoption, modification or termination, as applicable, with the Compliance Officer, who will consult with the Company's outside securities counsel, as appropriate, prior to pre-clearing any plan or approving any change to any plan; *provided*, *however*, that the Company's Senior Leadership (defined below) must obtain advance written approval from the Audit Committee of the Board of Directors, acting in consultation with the Compliance Officer, before entering into any 10b5-1 plan or changing or terminating any 10b5-1 plan already in place. The Audit Committee and Compliance Officer, together with the Company's outside securities counsel, are responsible for ensuring that each proposed Trading Plan satisfies all applicable requirements of Rule 10b5-1, as amended from time to time, including those relating to cooling-off periods, limits on the number and type of plans, required certifications by directors and officers, and the good-faith adoption and operation of such plans. The Compliance Officer shall maintain a complete record of all Trading Plans approved, modified, or terminated, and shall coordinate all related Section 16 and other securities law filings. For purposes hereof, the Company's "**Senior Leadership**" consists of (i) each of the Company's executive officers, as defined by Rule 3b-7 of the Securities Exchange Act of 1934 (17 C.F.R. § 240.3b-7), as well as (ii) each of the current Company employees who report directly to any Company executive officer provided they have day-to-day managerial responsibility for a principal business unit, division, or corporate function of the Company.

Without limiting the foregoing, approval of a Trading Plan requires, at a minimum, that:

- The Covered Person is not in possession of material nonpublic information at the time of plan adoption;
- The plan is entered into in good faith, during an open trading window, and not as part of any scheme to evade the prohibitions of Rule 10b-5; and
- For directors and officers, the plan includes the written certifications required by Rule 10b5-1, as in effect at the time of adoption.

The Audit Committee and Compliance Officer are not obligated to approve any proposed Trading Plan. Covered Persons who wish to establish a Trading Plan should contact the Compliance Officer well in advance of the desired adoption date to allow adequate time for review by the Audit Committee and outside securities counsel.

X.OTHER EXCEPTIONS TO THIS POLICY

Nothing about this policy limits anyone's participation in an offering of Company securities by the Company, such as a rights offering financing offered to existing Company stockholders, or limits any related party transaction approved by our Board of Directors.

XI. PROTECTED ACTIVITY NOT PROHIBITED

Nothing in this policy, or any related guidelines or other documents or information provided in connection with this policy, shall in any way limit or prohibit you from engaging in any of the protected activities set forth in the Company's Whistleblower Policy, as amended from time to time.

XII. AMENDMENTS

The Company reserves the right to amend or waive this policy at any time, for any reason, subject to applicable laws, rules and regulations, and with or without notice, although it will attempt to provide notice in advance of any change. Unless otherwise permitted by this policy, any amendments or waivers of this policy must be approved by the Board of Directors of the Company.

XIII. COMPANY ASSISTANCE

If you have a question about this policy or whether it applies to a particular transaction, contact our Compliance Officer for additional guidance. The Compliance Officer will regularly consult with the Company's outside securities counsel with respect to transactions and other matters covered by this policy.

*** [END OF DOCUMENT] ***

ACKNOWLEDGEMENT OF RECEIPT OF INSIDER TRADING POLICY

I have received and read the Pulse Biosciences, Inc. Insider Trading Policy ("**Insider Trading Policy**"). I understand the standards and policies contained in the Insider Trading Policy and agree to comply with its terms and conditions.

_____
Print Name

_____
Signature

_____
Date

List of Subsidiaries

Subsidiary	Jurisdiction of Incorporation	Ownership Position
NanoBlate Corp., a Delaware Corporation	Delaware	100%
BioElectroMed Corp., a California Corporation	California	100%
Pulse Biosciences BV	Netherlands	100%
2783162 Ontario Inc.	Ontario	100%

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-280805, 333-278494, 333-278322, 333-273944, 333-259330, 333-246346, 333-237577, 333-227974, 333-224800, 333-219104, and 333-219096 on Form S-3 and Registration Statement Nos. 333-285374, 333-285383, 333-271808, 333-264957, 333-256992, 333-254451, 333-237225, 333-229320, 333-222582, 333-221788, 333-218164, and 333-216897 on Form S-8 of our report dated February 19, 2026, relating to the financial statements of Pulse Biosciences, Inc. appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ Deloitte & Touche LLP

San Francisco, California
February 19, 2026

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul A. LaViolette, certify that:

1. I have reviewed this Annual Report on Form 10-K of Pulse Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2026

By: /s/ Paul A. LaViolette
Paul A. LaViolette
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jon Skinner, certify that:

1. I have reviewed this Annual Report on Form 10-K of Pulse Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2026

By: /s/ Jon Skinner
Jon Skinner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Annual Report of Pulse Biosciences, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: February 19, 2026

/s/ Paul A. LaViolette
Paul A. LaViolette
Chief Executive Officer
(Principal Executive Officer)

* This certification is deemed furnished and not filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Pulse Biosciences, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this report, irrespective of any general incorporation language contained in such filing, except to the extent the Company specifically incorporates these certifications by reference therein.

Exhibit 32.2

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

In connection with the Annual Report of Pulse Biosciences, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: February 19, 2026

/s/ Jon Skinner
Jon Skinner
Chief Financial Officer
(Principal Financial Officer)

* This certification is deemed furnished and not filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Pulse Biosciences, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this report, irrespective of any general incorporation language contained in such filing, except to the extent the Company specifically incorporates these certifications by reference therein.