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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): December 11, 2025

AVALON GLOBOCARE CORP.
(Exact name of registrant as specified in its charter)

Delaware	**001-38728**	**47-1685128**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

4400 Route 9 South, Suite 3100, Freehold, NJ 07728
(Address of principal executive offices)

(732) 780-4400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.)

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 $0.0001 per share	ALBT	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Item 1.01 - Entry into a Material Definitive Agreement.

Agreement and Plan of Merger

On December 12, 2025, AVALON GLOBOCARE CORP., a Delaware corporation (the "Company" or "Avalon"), acquired RPM INTERACTIVE, INC., a Nevada corporation ("RPM"), in accordance with the terms of the Agreement and Plan of Merger, dated December 12, 2025, as amended by Amendment No. 1 dated December 14, 2025 (as amended, the "Merger Agreement"), by and among the Company, Avalon Quantum AI, LLC, a Nevada limited liability company and a wholly owned subsidiary of the Company (the "Merger Sub"), and RPM. Pursuant to the Merger Agreement, RPM merged with and into the Merger Sub, pursuant to which the Merger Sub was the surviving entity and became a wholly owned subsidiary of the Company (the "Merger"). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Under the terms of the Merger Agreement, the Company agreed to issue to the stockholders of RPM 19,500 shares of Series E Non-Voting Convertible Preferred Stock, par value $0.0001 per share (the "Series E Preferred Stock") (as described below), which have an aggregate stated and liquidation value of Nineteen Million Five Hundred U.S. Dollars and Zero Cents ($19,500,000.00). Each share of Series E Preferred Stock has a stated value of $1,000 per share (the "Stated Value") and is convertible into a number of shares of Common Stock equal to the Stated Value divided by $1.50 (the "Conversion Price"), subject to certain conditions described in Item 5.03 below which include, among others, limiting the number of shares of Series E Preferred Stock that can convert if such conversion would exceed the aggregate number of shares of Common Stock which the Company may issue upon such conversion without breaching the Company's obligations under the NASDAQ listing rules and regulations.

As a result of this transaction, as of the date of this Form 8-K, the Company believes it has stockholders' equity in excess of $2.5 million as required for continued listing on the Nasdaq Stock Market under Nasdaq Listing Rule 5550(b)(1).

The Merger Agreement contains customary representations and warranties of the parties as well as certain pre-closing and post-closing covenants.

Reference is made to the discussion of the Series E Preferred Stock in Item 5.03 of this Current Report on Form 8-K, which is incorporated into this Item 1.01 by reference.

Pursuant to the Merger Agreement, the Company has agreed to hold a stockholders' meeting on May 12, 2026 or as promptly as practicable thereafter to submit for their approval of the conversion of the Series E Preferred Stock into shares of Common Stock in accordance with certain of the rules of the Nasdaq Stock Market LLC (the "Conversion Proposal"). In connection with these matters, the Company agreed file with the Securities and Exchange Commission (the "SEC") a proxy statement and other relevant materials as soon as practicable following closing.

In addition, the Company agreed to appoint Mike Mathews as a director of the Company at the closing. Reference is made to the discussion of Mr. Mathews appointment as a director in Item 5.02 of this Current Report on Form 8-K, which is incorporated into this Item 1.01 by reference.

The Board of Directors of the Company (the "Board") approved the Merger Agreement and the related transactions, and the consummation of the Merger did not require the approval of the Company stockholders.

The foregoing description of the Merger and the Merger Agreement do not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is filed as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The Merger Agreement has been included to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about the Company or RPM. The Merger Agreement contains representations, warranties and covenants that the Company and RPM made to each other as of specific dates. The assertions embodied in those representations, warranties and covenants were made solely for purposes of the Merger Agreement between the Company and RPM and may be subject to important qualifications and limitations agreed to by the Company and RPM in connection with negotiating its terms, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of the Merger Agreement. Moreover, the representations and warranties may be subject to a contractual standard of materiality that may be different from what may be viewed as material to investors or securityholders, or may have been used for the purpose of allocating risk between the Company and RPM rather than establishing matters as facts. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. For the foregoing reasons, no person should rely on the representations and warranties as statements of factual information at the time they were made or otherwise.

Bridge Note Transaction

On December 11, 2025, Avalon GloboCare Corp., a Delaware corporation (the "Company") entered into a securities purchase agreement (the "Purchase Agreement") with Allen O Cage Jr., an individual (the "Holder"), pursuant to which the Company issued an unsecured bridge note (the "Note") with a maturity date of April 15, 2026 (the "Maturity Date"), in the principal sum of $375,000 (the "Principal Sum"). The Note carries an original issue discount of $75,000. Accordingly, on December 11, 2025, the Holder paid the purchase price of $300,000 to the Company for the Note. The Company is required to make the following payments in cash to the Holder under the Note: (i) $125,000 on February 15, 2026, (ii) $125,000 on March 15, 2026, and (iii) $125,000 on April 15, 2026. Upon the occurrence of an event of default under the Note, the Holder may convert the Note into the Company's common stock (the "Common Stock") at a conversion price equal to 50% of the volume weighted average price of the Common Stock during the five (5) trading day period prior to the respective conversion date (the "Conversion Price"), subject to adjustment as provided in the Note as well as beneficial ownership limitations. The Conversion Price may not be lower than the floor price, which is equal to 80% of the Minimum Price (as such term is defined by the rules and regulations of the Nasdaq Stock Market LLC, Rule 5635(d)(1)(A)) measured from the effective date of the Purchase Agreement, or such lower amount as permitted, from time to time, by the Nasdaq Stock Market, subject to downward adjustments for share splits, share dividends, share combinations, recapitalizations or other similar events (for the avoidance of doubt, share splits, share dividends, share combinations, recapitalizations or other similar events shall not cause an adjustment to increase the floor price). The Company agreed to issue 100,000 shares of Common Stock as a commitment fee to the Holder pursuant to the Purchase Agreement. The Purchase Agreement contains customary representations, warranties, and covenants of the Company. The issuance of such 100,000 shares as well as any conversion of the Note into shares of Common Stock is subject to the prior shareholder approval of the Company as is required by the applicable rules and regulations of the Nasdaq Stock Market (or any successor entity).

The foregoing descriptions of the Note and Purchase Agreement do not purport to be complete and are qualified in its entirety by reference to the full text of the Note and Purchase Agreement, copies of which are filed herewith as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 2.01 - Completion of Acquisition or Disposition of Assets.

On December 12, 2025, the Company completed its business combination with RPM. The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

To the extent required by Item 2.03 of Form 8-K, the information contained in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 3.02 – Unregistered Sale of Equity Securities.

Reference is made to the disclosure under Item 1.01 above relating the issuance of the Series E Preferred Stock which is hereby incorporated in this Item 3.02 by reference.

The shares of Series E Preferred Stock and the shares issuable upon conversion of the Series E Preferred Stock have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state, and are being offered and sold in reliance on the exemption from registration under the Securities Act, afforded by Section 4(a)(2) and/or Rule 506 promulgated thereunder.

The Company agreed to issue an aggregate of 305,000 restricted shares of Common Stock to consultants of the Company, with such issuances to take place on or around December 15, 2025, in exchange for services rendered. After giving effect to the unregistered issuances, there will be 4,557,009 shares of Common Stock outstanding.

The securities described above have not been registered under the Securities Act, or the securities laws of any state, and were offered and sold in reliance on the exemption from registration under the Securities Act afforded by Section 4(a)(2) thereof.

Item 5.02 - Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In accordance with the Merger Agreement, on December 12, 2025, effective immediately after the effective time of the Merger, Michael Mathews was appointed to the Board as a director.

Michael Mathews (Age 64). Mr. Mathews has served as Chairman and Chief Executive Officer of Aspen Group, Inc. (OTCQB: ASPU) since March 2012. He served as Chief Executive Officer of Interclick, Inc. (Nasdaq: ICLK) from August 2007 until January 2011. Mr. Mathews also served as a Director of Interclick from June 2007 until it was acquired by Yahoo, Inc. (Nasdaq: YHOO) in December 2011.

From 2004 to 2007, Mr. Mathews served as the senior vice-president of marketing and publisher services for World Avenue U.S.A., LLC, an Internet promotional marketing company.

Mr. Mathews was selected to serve as Director due to his track record of success in managing early stage and growing businesses, his extensive knowledge of the artificial intelligence, internet services, and AdTech industries and his knowledge of running and serving on the boards of public companies.

There is no arrangement or understanding between Mr. Mathews and any other person, other than the Company's directors or officers acting solely in their capacity as such, pursuant to which he was selected as an officer or director of the Company. Mr. Mathews is not related by blood, marriage or adoption to any director, executive officer or person nominated or chosen by the Company to become a director or executive officer. The Company is not aware of any transaction, or currently proposed transaction, in which the Company was or is to be a participant and in which Mr. Mathews, or any member of his immediate family, had or will have a direct or indirect material interest that would be required to be reported under Item 404(a) of Regulation S-K.

Item 5.03 - Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On December 12, 2025, the Company filed a certificate of designations of preferences, rights, and limitations of Series E Non-Voting Convertible Preferred Stock (the "Series E Certificate of Designations") with the Department of State, Division of Corporations, of the State of Delaware, which provides for the designation of 19,500 shares of Series E Preferred Stock of the Company, par value $0.0001 per share, upon the terms and conditions as set forth in the Series E Certificate of Designations. Each share of Series E Preferred Stock has a Stated Value of $1,000.

The Series E Preferred Stock shall rank (i) senior to the Company's Common Stock and any other class or series of capital stock of the Company created hereafter, the terms of which specifically provide that such class or series shall rank junior to the Series E Preferred Stock, (ii) *pari passu* with any class or series of capital stock of the Company created hereafter specifically ranking, by its terms, on par with the Series E Preferred Stock, (iii) *pari passu* with Series C Convertible Preferred Stock of the Company with respect to its rights, preferences and restrictions, and (iv) *pari passu* the Series D Convertible Preferred Stock of the Company.

Holders of the Series E Preferred Stock shall be entitled to receive, and the Company shall pay, dividends on shares of Series E Preferred Stock equal (on an as-if-converted-to-Common-Stock basis, disregarding for such purpose any conversion limitations hereunder) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock.

Holders of the Series E Preferred Stock have no voting power except as otherwise required by the Delaware General Corporation Law. Notwithstanding the foregoing, in addition, as long as any shares of Series E Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Series E Preferred Stock, voting as a separate class, (a) alter or change adversely the powers, preferences or rights given to the Series E Preferred Stock in this Certificate of Designation, (b) increase the number of authorized shares of Series E Preferred Stock, (c) authorize or issue an additional class or series of capital stock that ranks senior to the Series E Preferred Stock with respect to the distribution of assets on liquidation, or (d) enter into any agreement with respect to any of the foregoing

Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary (a "Liquidation"), the holders of the Series E Preferred Stock shall be entitled to receive out of the assets available for distribution to stockholders, (i) after and subject to the payment in full of all amounts required to be distributed to the holders of another class or series of stock of the Company ranking on liquidation prior and in preference to the Series E Preferred Stock, including the Series A Preferred Stock, (ii) ratably with any class or series of stock ranking on liquidation on parity with the Series E Preferred Stock and (iii) in preference and priority to the holders of the shares of Common Stock, an amount equal to the greater of (i) 100% of the Stated Value of the Series E Preferred Stock, in proportion to the full and preferential amount that all shares of the Series E Preferred Stock are entitled to receive or (ii) such amount per share as would have been payable had all shares of Series E Preferred Stock been converted into Common Stock (without regard to any limitations on conversion set forth herein or otherwise) pursuant to Section 6 immediately prior to such Liquidation.

Each share of Series E Preferred Stock shall be convertible into Common Stock (the "Conversion Shares"), at any time from and after May 12, 2026, or such earlier time as consented to by the Company in writing at the option of the Holder thereof, into that number of shares of Common Stock (subject to certain limitations, determined by dividing the Stated Value of such share of Series E Preferred Stock by the Conversion Price of $1.50. In addition, the holder shall not have the right to convert any portion of the Series E Preferred Stock if, after giving effect to the conversion, such holder (together with its affiliates) would beneficially own in excess 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Series E Preferred Stock held by the applicable holder.

In addition, the Company shall not issue any shares of Common Stock upon conversion of the Series E Preferred Stock or otherwise pursuant to the terms of the Series E Certificate of Designation if the issuance of such shares of Common Stock would exceed the aggregate number of shares of Common Stock which the Company may issue upon exercise or conversion (as the case may be) of the Series E Preferred Stock without breaching the Company's obligations under the rules and regulations the listing rules of the Company's Principal Market (the maximum number of shares of Common Stock which may be issued without violating such rules and regulations, the "Exchange Cap"), except that such limitation shall not apply in the event that the Company (A) obtains the approval of its stockholders as required by the applicable rules and regulations of the Principal Market for issuances of shares of Common Stock in excess of such amount (the "Stockholder Approval Date") or (B) obtains a written opinion from outside counsel to the Company that such approval is not required, which opinion shall be reasonably satisfactory to the Required Holders (as defined in the Series E Certificate of Designation).

The foregoing description of the Series E Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the Series E Certificates of Designation, copy of which are filed as Exhibit 3.1, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 7.01 - Regulation FD Disclosure.

On December 15 2025, the Company issued a press release related to the Merger. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K, including the information in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Furthermore, the information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 to this Current Report on Form 8-K, shall not be deemed to be incorporated by reference in the filings of the Company under the Securities Act.

Forward Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: stockholder approval of the conversion rights of the Series E Preferred Stock and the timing thereof. The use of words such as, but not limited to, "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," or "would" and similar words expressions are intended to identify forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on the Company's current beliefs, expectations and assumptions regarding the future of its business, future plans and strategies, its clinical results and other future conditions. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. The Company may not actually achieve the forecasts disclosed in our forward-looking statements, and you should not place undue reliance on forward-looking statements. Such forward-looking statements are subject to a number of material risks and uncertainties including but not limited to those set forth under the caption "Risk Factors" in the Company's most recent Annual Report on Form 10-K filed with the SEC, as supplemented by its Quarterly Reports on Form 10-Q, as well as discussions of potential risks, uncertainties, and other important factors in the Company's subsequent filings with the SEC. Any forward-looking statement speaks only as of the date on which it was made. Neither the Company, nor its affiliates, advisors or representatives, undertake any obligation to publicly update or revise any forward-looking statement, whether as result of new information, future events or otherwise, except as required by law. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date hereof.

Item 9.01. Financial Statement and Exhibits.

(a) Financial Statements of Business Acquired.

The following combined financial statements of RPM Interactive, Inc. ("RPM") are being filed as exhibits to this Current Report on Form 8-K:(i) the audited financial statements of RPM as of and for the years ended December 31, 2024 and 2023 and related notes, attached as Exhibit 99.2 and (ii) the unaudited financial statements of RPM as of September 30, 2025 and for the nine months ended September 30, 2025 and 2024 and related notes, attached as Exhibit 99.3.

(b) Pro Forma Financial Information* (i) the unaudited pro forma consolidated combined balance sheet as of September 30, 2025 and unaudited pro forma consolidated combined statement of operations and comprehensive loss of the Company and RPM for the nine months ended September 30, 2025 and (ii) the unaudited pro forma consolidated combined statement of operations and comprehensive loss of the Company and RPM for the year ended December 31, 2024.

* Attached as Exhibit 99.4

(d) Exhibits

Exhibit No.	Description
2.1[(1)]	Agreement and Plan of Merger, dated December 12, 2025, by and among Avalon Globocare Corp., Avalon Quantum AI, LLC and RPM Interactive, Inc
3.1	Certificate of Designation of Series E Non-Voting Convertible Preferred Stock
10.1	Bridge Note, between the Company and Allen O Cage Jr., dated as of December 11, 2025.
10.2	Securities Purchase Agreement, between the Company and Allen O Cage Jr., dated as of December 11, 2025.
10.3	Amendment to Securities Purchase Agreement and Unsecured Bridge Note dated December 14, 2025, between the Company and Allen O Cage Jr.
10.4	Amendment No. 1 dated December 14, 2025 by and among Avalon Globocare Corp., Avalon Quantum AI, LLC and RPM Interactive, Inc
99.1	Press release dated December 15, 2025
99.2	Audited financial statements of RPM as of and for the years ended December 31, 2024 and 2023
99.3	Unaudited financial statements of RPM as of September 30, 2025 and for the nine months ended September 30, 2025 and 2024
99.4	Pro Forma Financial Statements listed under Item 9.01(b) above.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

(1) Certain schedules and attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to provide, on a supplemental basis, a copy of any omitted schedules and attachments to the Securities and Exchange Commission or its staff upon request.

SIGNATURES

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

AVALON GLOBOCARE CORP.

Dated: December 15, 2025

By: */s/ Luisa Ingargiola*
Name: Luisa Ingargiola
Title: Chief Financial Officer

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER

by and among

AVALON GLOBOCARE CORP.

AVALON QUANTUM AI, LLC,
as Merger Sub,

and

RPM INTERACTIVE, INC.
as the Company

Dated as of December 12, 2025

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EXHIBITS:

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this "***Agreement***"), is made and entered into as of December 12, 2025, by and among (i) AVALON GLOBOCARE CORP., a Delaware corporation ("***Purchaser***"), (ii) Avalon Quantum AI, LLC, a Nevada limited liability company and a wholly-owned Subsidiary of Purchaser ("***Merger Sub***"), and (iii) RPM INTERACTIVE, INC a Nevada corporation (the "***Company***"). The Purchaser, the Merger Sub and the Company are sometimes each referred to as a "***Party***" and collectively as the "***Parties***".

RECITALS

WHEREAS, the Company is a generative artificial intelligence (AI) publishing and software company;

WHEREAS, the Purchaser owns all of the issued and outstanding shares of equity securities of Merger Sub, which was formed for the sole purpose of the Merger (as defined below);

WHEREAS, the Parties intend to effect the merger of the Company with and into the Merger Sub, with the Merger Sub continuing as the surviving entity (the "***Merger***"), as a result of which all of the issued and outstanding capital stock of the Company, immediately prior to the Effective Time, shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each certificate or other instrument previously representing any such shares shall thereafter represent the right to receive a Pro Rata Share (as defined herein) of the Stockholder Merger Consideration (as defined herein), all upon the terms and subject to the conditions set forth in this Agreement and in accordance with the applicable provisions of the Nevada Revised Statutes (as amended, "***NRS***"), all in accordance with the terms of this Agreement;

WHEREAS, the boards of directors of the Company, the Purchaser and Merger Sub have each (i) determined that the Merger is fair, advisable and in the best interests of their respective companies and stockholders and (ii) approved this Agreement and the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth herein;

WHEREAS, the boards of directors of each of the Company, the Purchaser and Merger Sub have determined to recommend to their respective stockholders the approval and adoption of this Agreement and the transactions contemplated hereby, including the Merger;

WHEREAS, the Parties intend that (a) the Merger will qualify as a tax-free "reorganization" within the meaning of Section 368(a) of the Code (as defined herein) and the Treasury Regulations promulgated thereunder to which each of Purchaser and the Company are to be parties under Section 368(b) of the Code and (b) this Agreement is hereby adopted as a "plan of reorganization" within the meaning of Section 368 of the Code and the Treasury Regulations promulgated thereunder; and

WHEREAS, certain capitalized terms used herein are defined in Exhibit A.

NOW, THEREFORE, in consideration of the premises set forth above and the respective representations, warranties, covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I
THE MERGER

1.1. **The Merger.** At the Effective Time and subject to and upon the terms and conditions of this Agreement and the applicable provisions of the NRS. Merger Sub and the Company shall consummate the Merger, pursuant to which the Company shall merge with and into the Merger Sub the separate corporate existence of Company shall cease and the Merger Sub shall continue as the surviving corporation in the Merger. The Merger Sub, as the surviving entity after the Merger, is hereinafter sometimes referred to as the "***Surviving Entity***".

1.2. **Effective Time.** Subject to the conditions of this Agreement, the parties shall cause the Merger to be consummated by filing articles of merger in the form attached as Exhibit B hereto (the "***Articles of Merger***") with the Secretary of State of the State of Nevada in accordance with the applicable provisions of the NRS. The Merger will become effective upon such filing with the Secretary of State of the State of Nevada or at such later date or time as may be agreed by the Purchaser and the Company in writing and specified in the Articles of Merger (the effective time of the Merger being hereinafter referred to as the "***Effective Time***").

1.3. **Effect of the Merger.** At the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the NRS and other applicable Law. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all the property, rights, agreements, privileges, powers and franchises of Merger Sub and the Company shall vest in the Surviving Entity, and all debts, liabilities, obligations and duties of Merger Sub and the Company shall become the debts, liabilities, obligations and duties of the Surviving Entity, including in each case the rights and obligations of each such party under this Agreement and the other Ancillary Documents from and after the Effective Time.

1.4. **Merger Consideration.** As consideration for the Merger, Purchaser shall deliver to the Company Stockholders such number of shares of a new series of Purchaser Preferred Stock (the "***Series E Preferred Stock***") with the Series E having the terms and condition set forth in the Series E Preferred Certificate of Designation attached hereto as Exhibit C (the "***Series E Preferred Certificate of Designation***") as shall have an aggregate stated and liquidation value of Nineteen Million Five Hundred U.S. Dollars and Zero Cents ($19,500,000.00) (the "***Stockholder Merger Consideration***"), with each share of the Series E Preferred Stock being convertible into such number of shares of Common Stock of the Purchaser as is determined by dividing the Stockholder Merger Consideration by the $1.50 conversion price. Each Stockholder shall receive its pro rata share of the Stockholder Merger Consideration based on the number of shares of Company Common Stock owned by such Company Stockholder as compared to the total number of shares of Company Common Stock owned by all Company Stockholders as of immediately prior to the Effective Time (such proportion being such Stockholder's "***Pro Rata Share***").

1.5. **Effect of Merger on Merger Sub and Company Securities.** At the Effective Time, by virtue of the Merger and without any action on the part of any party hereto or any other Person:

(a) Subject to Section 1.5(b), all shares of capital stock of the Company issued and outstanding immediately prior to the Effective Time will be cancelled and automatically deemed for all purposes to represent the right to receive, in the aggregate for all shares of capital stock of the Company, the Stockholder Merger Consideration, with each Stockholder receiving its Pro Rata Share of the Stockholder Merger Consideration with respect to its shares of capital stock of the Company, without interest. As of the Effective Time, each Company Stockholder shall cease to have any other rights with respect to the capital stock of the Company, except the right to receive is Pro Rata Share of the Stockholder Merger Consideration in accordance with and subject to the terms and conditions set forth in this Agreement.

(b) Notwithstanding Section 1.5(a) or any other provision of this Agreement to the contrary, at the Effective Time, if there are any shares of capital stock of the Company that are owned by the Company as treasury shares or by any direct or indirect Subsidiary of the Company immediately prior to the Effective Time, such shares of Company capital stock shall be canceled and extinguished without any conversion thereof or payment therefor.

(c) All options, warrants and other rights to acquire shares of capital stock of the Company, and all other securities that are convertible into or exchangeable for shares of capital stock of the Company, that are issued and outstanding immediately prior to the Effective Time will be cancelled and terminated as of the Effective Time and the holders thereof shall no longer have the right to acquire, convert into or be exchanged for shares of capital stock of the Company and shall thereafter have the right to acquire, convert into or be exchanged for shares of capital stock of the Purchaser.

(d) Each share of capital stock of Merger Sub outstanding immediately prior to the Effective Time shall be converted into an equal number of shares of common stock of the Surviving Entity, with the same rights, powers and privileges as the shares so converted and shall constitute the only outstanding shares of capital stock of the Surviving Entity.

1.6. **Governing Documents and Officers and Directors.** At the Effective Time, upon the consummation of the Merger, each of the Articles of Organization and Operating Agreement of the Merger Sub in effect immediately prior to the Merger shall become the Articles of Organization and Operating Agreement of the Surviving Entity until thereafter amended in accordance with the provisions therein and as provided in the NRS. At the Effective Time, (i) the managers of the Surviving Entity shall be the directors of Company immediately prior to the Merger and (ii) the executive officers of the Surviving Entity shall be the executive officers of the Company immediately prior to the Merger.

1.7. **Section 368 Reorganization.** For U.S. federal income Tax purposes, the Merger is intended to constitute a "reorganization" within the meaning of Section 368(a) of the Code. The parties hereby (a) adopt this Agreement as a "plan of reorganization" within the meaning of Section 1.368-2(g) of the United States Treasury Regulations, (b) agree to file and retain such information as shall be required under Section 1.368-3 of the United States Treasury Regulations, and (c) agree to file all Tax and other informational returns on a basis consistent with such characterization. Each party acknowledges and agrees that such party (i) has had the opportunity to obtain independent legal and tax advice with respect to the transactions contemplated by this Agreement, and (ii) is responsible for paying its own Taxes, including any adverse Tax consequences that may result if the Merger is determined not to qualify as a reorganization under Section 368 of the Code.

1.8. **Further Actions.** If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Entity with full right, title and possession to all assets, property, rights, privileges, powers and franchises of Merger Sub and the Company, the officers and directors of Surviving Entity are fully authorized in the name of the Surviving Entity, Merger Sub and the Company to take, and will take, all such lawful and necessary action, so long as such action is not inconsistent with this Agreement.

1.9. **Surrender of Company Securities and Disbursement of Stockholder Merger Consideration.**

(a) Prior to the Effective Time, the Purchaser shall appoint Vstock Transfer LLC or another agent reasonably acceptable to the Company (the "***Exchange Agent***") for the purpose of exchanging the Purchaser stock certificates representing Company Common Stock ("***Company Certificates***"). At or prior to the Effective Time, the Purchaser shall deposit, or cause to be deposited, with the Exchange Agent the Stockholder Merger Consideration to be paid in respect of the Company Certificates, in each case in accordance with each Company Stockholder's Pro Rata Share. Promptly after the Effective Time, the Purchaser shall send, or shall cause the Exchange Agent to send, to each Company Stockholder, a letter of transmittal for use in such exchange (a "***Letter of Transmittal***") (which shall specify that the delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery of the Company Certificates to the Exchange Agent) for use in such exchange.

(b) Each Company Stockholder shall be entitled to receive its Pro Rata Share of the Stockholder Merger Consideration in respect of the Company Common Stock represented by the Company Certificate(s), as soon as reasonably practicable, upon delivery to the Exchange Agent of the following items (collectively, the "***Transmittal Documents***"): the Company Certificate(s) for its Company Common Stock, together with a properly completed and duly executed Letter of Transmittal and such other documents as may be reasonably requested by the Exchange Agent. Until so surrendered, each Company Certificate shall represent after the Effective Time for all purposes only the right to receive such portion of the Stockholder Merger Consideration.

ARTICLE II
CLOSING

2.1. **Closing.** The closing of the transactions contemplated by this Agreement (the "***Closing***") will take place remotely by exchange of documents and signatures (or their electronic counterparts) on a date and at a time to be agreed upon by the Purchaser and the Company, which date shall be no later than the second (2nd) Business Day after all the Closing conditions to this Agreement have been satisfied or waived. The date on which the Closing actually occurs will be referred to as the "***Closing Date***". The parties agree that to the extent permitted by applicable Law and GAAP, the Closing will be deemed effective as of the Effective Time on the Closing Date.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Purchaser that the statements contained in this ARTICLE III, and the information in the Disclosure Schedules that relates to and modifies the Sections within this ARTICLE III to the extent it is reasonably apparent on the face of such disclosure that such disclosure is applicable to such Section, are true and correct as of the Closing Date, except to the extent that a representation and warranty contained in this ARTICLE III expressly states that such representation and warranty is current as of an earlier date and then such statements contained in this ARTICLE III are true and correct as of such earlier date:

3.1. **Organization and Qualification.** The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada. The Company has full corporate power and authority to own the assets owned by it and conduct its business as and where it is being conducted by it, and is duly licensed or qualified to do business and in good standing as a foreign entity in all jurisdictions in which its assets or the operation of its business makes such licensing or qualification necessary, except for such failures to be licensed or qualified or in good standing that individually or in the aggregate that has not and would not reasonably be expected to have a Material Adverse Effect. The subsidiaries of the Company are set forth on Schedule 3.1 hereof (the "***Subsidiaries***"). and the Company is not a participant in any joint venture, partnership or similar arrangement. During the past five (5) years, the Company has not been known by or used any corporate, fictitious or other name in the conduct of its business or in connection with the use or operation of its assets. Each of the Subsidiaries is a corporation duly incorporated, validly existing and in good standing under the laws of state of its incorporation. Each Subsidiary has full corporate power and authority to own the assets owned by it and conduct its business as and where it is being conducted by it, and is duly licensed or qualified to do business and in good standing as a foreign entity in all jurisdictions in which its assets or the operation of its business makes such licensing or qualification necessary, except for such failures to be licensed or qualified or in good standing that individually or in the aggregate that has not and would not reasonably be expected to have a Material Adverse Effect.

3.2. **Authorization; Corporate Documentation.** The Company has full corporate power and authority to enter into this Agreement and the Ancillary Documents to which it is or is required to be a party and to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company, including requisite board of directors' and stockholder approval of the Company. Each of this Agreement and each Ancillary Document to which the Company is or is required to be a party has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the enforceability thereof may be limited by the Enforceability Exceptions. The copies of the Governing Documents of the Company and of each Subsidiary, as amended to date, copies of which have heretofore been delivered to Purchaser, are true, complete and correct copies of the Governing Documents of the Company, as amended through and in effect on the date hereof. The minute books and records of the proceedings of the Company, copies of which have been delivered to Purchaser, are true, correct and complete in all material respects.

3.3. **Capitalization.**

(a) The Company is authorized to issue 180,000,000 shares of Company Common Stock, 37,147,326 of which shares are issued and outstanding, and the Company is authorized to issue 20,000,000 shares of Company Preferred stock, none of which shares are issued and outstanding. All of the issued and outstanding capital stock of the Company (i) have been duly and validly issued, (ii) are fully paid and non-assessable and (iii) were not issued in violation of any preemptive rights or rights of first refusal or first offer. Except for the Company Warrants set forth on Schedule 3.3, there are no issued or outstanding options, warrants or other rights to subscribe for or purchase any equity interests of the Company or securities convertible into or exchangeable for, or that otherwise confer on the holder any right to acquire any equity securities of the Company, or preemptive rights or rights of first refusal or first offer with respect to the equity securities of the Company, nor are there any Contracts, commitments, understandings, arrangements or restrictions to which the Company, or to the Knowledge of the Company, any stockholder, is a party or bound relating to any equity securities of the Company, whether or not outstanding. There are no outstanding or authorized stock appreciation, phantom stock or similar rights with respect to the Company, nor are there any voting trusts, proxies, stockholder agreements or any other agreements or understandings with respect to the voting of the equity securities of the Company. All of the equity securities of the Company have been granted, offered, sold and issued in compliance with all applicable corporate and securities Laws.

(b) The Company owns all of the issued and outstanding equity securities of each of the Subsidiaries. All of the issued and outstanding capital stock of each of the Subsidiaries (i) has been duly and validly issued, (ii) is fully paid and non-assessable and (iii) were not issued in violation of any preemptive rights or rights of first refusal or first offer. There are no issued or outstanding options, warrants or other rights to subscribe for or purchase any equity interests of any of the Subsidiaries or securities convertible into or exchangeable for, or that otherwise confer on the holder any right to acquire any equity securities of any of the Subsidiaries, or preemptive rights or rights of first refusal or first offer with respect to the equity securities of any of the Subsidiaries, nor are there any Contracts, commitments, understandings, arrangements or restrictions to which any Subsidiary, or to the Knowledge of the Company, any stockholder, is a party or bound relating to any equity securities of any Subsidiary, whether or not outstanding. There are no outstanding or authorized stock appreciation, phantom stock or similar rights with respect to any Subsidiary, nor are there any voting trusts, proxies, stockholder agreements or any other agreements or understandings with respect to the voting of the equity securities of any Subsidiary. All of the equity securities of each Subsidiary have been granted, offered, sold and issued in compliance with all applicable corporate and securities Laws

3.4. **Non-Contravention.** Except as set forth on Schedule 3.4, neither the execution, delivery and performance of this Agreement or any Ancillary Documents by the Company, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate or conflict with, any provision of the Governing Documents of the Company or any Subsidiary, (b) violate or conflict with any Law or Order to which the Company, any Subsidiary or any of their respective assets or equity interests are bound or subject, (c) with or without giving notice or the lapse of time or both, breach or conflict with, constitute or create a default under, or give rise to any right of termination, cancellation or acceleration of any obligation or result in a loss of a material benefit under, or give rise to any obligation of the Company or any Subsidiary to make any payment under, or to the increased, additional, accelerated or guaranteed rights or entitlements of any Person under, any of the terms, conditions or provisions of any Contract, agreement, or other commitment to which the Company or any Subsidiary is a party or by which the Company, any Subsidiary or any of their respective assets or equity interests may be bound, (d) result in the imposition of a Lien (other than a Permitted Lien) on any equity interests or any assets of the Company or any Subsidiary or (e) require any filing with, or Permit, consent or approval of, or the giving of any notice to, any Governmental Authority or other Person.

3.5. **Financial Statements.**

(a) As used herein, the term "***Financial Statements***" means the unaudited consolidated financial statements of the Company and the Subsidiaries (including, in each case, any related notes thereto), consisting of the balance sheet of the Company and the Subsidiaries as of September 30, 2025 and 2024 (the "***Balance Sheet Date***"), and the related unaudited income statements, changes in stockholders' equity and statements of cash flows for the period then ended and the audited consolidated financial statements of the Company and the Subsidiaries (including, in each case, any related notes thereto), and the balance sheet of the Company and the Subsidiaries as of December 31, 2024 and December 31, 2023 and the related audited income statements, changes in stockholders' equity and statements of cash flows for the year then ended. True and correct copies of the Financial Statements have been provided to the Purchaser. The Financial Statements (i) accurately reflect the books and records of the Company as of the times and for the periods referred to therein, (ii) were prepared in accordance with GAAP, consistently applied throughout and among the periods involved (except that the unaudited statements exclude the footnote disclosures and other presentation items required for GAAP and exclude year-end adjustments which will not be material in amount), and (iii) fairly present in all material respects the financial position of the Company and the Subsidiaries as of the respective dates thereof and the results of the operations and cash flows of the Company and the Subsidiaries for the periods indicated.

(b) Except as set forth on Schedule 3.5(b), the Company and the Subsidiaries have no Indebtedness.

3.6. **Absence of Liabilities.** Except as set forth on Schedule 3.6, neither the Company nor any Subsidiary is subject to any Liabilities or obligations (whether or not required to be reflected on a balance sheet prepared in accordance with GAAP), except for those that are either (i) adequately reflected or reserved on or provided for in the balance sheet of the Company as of the Balance Sheet Date contained in the Financial Statements or (ii) were incurred after the Balance Sheet Date in the ordinary course of business consistent with past practice and which are not, individually or in the aggregate, material in amount.

3.7. **Absence of Certain Changes.** Except as set forth on Schedule 3.7, since the Balance Sheet Date: (a) the Company and the Subsidiaries have conducted their business only in the Ordinary Course of Business, and (b) there has not been a Material Adverse Effect. Without limiting the foregoing, except as set forth on Schedule 3.7, since the Balance Sheet Date, neither the Company nor any Subsidiary has entered into any Contract, made any commitment or incurred any Liability in excess of $50,000.

3.8. **Title to and Sufficiency of Assets.** The Company and each Subsidiary has good and marketable title to all of its assets, free and clear of all Liens other than Permitted Liens. The assets (including Contractual rights and Intellectual Property rights) of the Company and the Subsidiaries constitute all of the assets, rights and properties that are used in the operation of the Company's business as it is now conducted or that are used or held by the Company or any Subsidiary for use in the operation of its business, and taken together, are adequate and sufficient for the operation of the Company's business as currently conducted. Immediately following the Closing, all of the assets of the Company will be owned, leased or available for use by the Company on terms and conditions substantially identical to those under which, immediately prior to the Closing, the Company owns, leases, uses or holds available for use such assets.

3.9. **Real Property**. The Company has provided to the Purchaser with a true and complete copy of each of all current leases, lease guarantees, agreements and documents, including all amendments, terminations and modifications thereof or waivers thereto, relating to all premises currently leased or subleased by the Company or any Subsidiary (collectively, the "***Company Real Property Leases***"), and in the case of any oral Company Real Property Lease, a written summary of the material terms of such Company Real Property Lease. The Company Real Property Leases are valid, binding and enforceable in accordance with their terms and are in full force and effect. To the Knowledge of the Company, no event has occurred which (whether with or without notice, lapse of time or both or the happening or occurrence of any other event) would constitute a default on the part of the Company or any other party under any of the Company Real Property Leases, and the Company has not received written or, to the Knowledge of the Company, oral notice of any such condition. The Company does not own or has ever owned any real property or any interest in real property (other than the leasehold interests in the Company Real Property Leases).

3.10. **Personal Property**. The Personal Property which is currently owned, used or leased by the Company and each of the Subsidiaries is, in the aggregate, suitable for its intended use in the business of the Company.

3.11. **Intellectual Property.**

(a) Schedule 3.11(a) sets forth a true and complete list of (i) all registrations of Intellectual Property (and applications therefor) necessary to conduct the business of the Company (including the Subsidiaries) as presently conducted, specifying as to each item, as applicable: (A) the nature of the item, including the title, (B) the owner of the item, (C) the jurisdictions in which the item is issued or registered or in which an application for issuance or registration has been filed and the status of each such application and (D) the issuance, registration or application numbers and dates; and (ii) all unregistered material Intellectual Property necessary to conduct the business of the Company as presently conducted (clauses (i) and (ii), collectively with any immaterial unregistered Intellectual Property owned by the Company that may not be set forth on Schedule 3.11(a), the, "***Owned IP***"). All registered Owned IP has been duly registered with, filed in, issued by or applied for with, as the case may be, the United States Patent and Trademark Office or such other appropriate filing offices, and all such registrations, filings, issuances, applications and other actions remain valid, in full force and effect, and are current, not abandoned, and not expired.

(b) Schedule 3.11(b) sets forth a true and complete list of all Software developed in whole or in part by or on behalf of the Company (including the Subsidiaries), including such developed Software and databases that are operated or used by the Company on its websites or used by the Company or otherwise material to the Company's business (collectively, "***Company Software***"). Except for "click wrapped", "shrink wrapped" or "off-the-shelf" software that is generally available to the public for use for a license of $2,000 or less ("***Click Wrapped Software***"), the Company Software is the only Software that is used or held for use by or otherwise material to the business of the Company.

(c) The Owned IP and Company Software includes all of the material Intellectual Property used in the business of the Company. Neither the Company nor any Subsidiary licenses any Intellectual Property which is material to the business of the Company and its Subsidiaries. Except as otherwise set forth on Schedule 3.11(c), the Company's ownership and use in the Ordinary Course of Business of the Owned IP and the Company Software do not infringe upon or misappropriate the valid Intellectual Property rights, privacy rights or right of publicity of any third party. The Company is the owner of the entire and unencumbered right, title and interest in and to each item of the Owned IP, and the Company Software, and the Company is entitled to use, and is using in its business, the Owned IP, and the Company Software, in the Ordinary Course of Business. Each of the Owned IP, and the Company Software is subsisting, valid and enforceable, and has not been adjudged invalid or unenforceable in whole or in part.

(d) Except as otherwise set forth on Schedule 3.11(d), no Actions have been asserted against the Company and are not disposed of, or are pending or, to the Knowledge of the Company, threatened against the Company or any Subsidiary: (i) based upon or challenging or seeking to deny, enjoin or restrict, in whole or in part, the use by the Company or any Subsidiary of any Owned IP and the Company Software; (ii) alleging that the Company's or any Subsidiary's products or services provided by or processes used by the Company or any Subsidiary infringe upon or misappropriate any Intellectual Property right or Software of any third party; (iii) alleging that any Intellectual Property licensed to the Company or any Subsidiary infringes upon any Intellectual Property right or Software of any third party or is being licensed or sublicensed to the Company or any Subsidiary in conflict with the terms of any license or other agreement; or (iv) challenging the Company's or any Subsidiary's ownership, or the validity or enforceability, of the Owned IP, and the Company Software. To the Knowledge of the Company, no Person is engaged in any activity that infringes upon the Owned IP or the Company Software. Except as set forth on Schedule 3.11(d) or licenses granted to customers in the Ordinary Course of Business under the Company's standard click-through terms of use licenses, the Company has not granted any license or other right currently outstanding to any third party with respect to the Owned IP, or the Company Software.

(e) To the Knowledge of the Company, the Company and each Subsidiary has the right to use all Software development tools, processing tools, library functions, compilers and other third party Software, source code, object code and/or documentation that is material to the Company's business or that is required to operate or modify the Company Software.

(f) The Company have taken commercially reasonable steps to maintain the confidentiality of its Trade Secrets and other confidential Intellectual Property and, to the Company's Knowledge, (i) there has been no misappropriation of any Trade Secrets or other material confidential Intellectual Property of the Company by any current or former employee, independent contractor or agent of the Company, or to the Knowledge of the Company, by any other Person; (ii) no current or former employee, independent contractor or agent of the Company has misappropriated any trade secrets of any other Person in the course of his or her performance as an employee, independent contractor or agent of the Company or has any claim to any of the Intellectual Property of the Company; and (iii) no current or former employee, independent contractor or agent of the Company is in default or breach of any term of any employment agreement, non-disclosure agreement, assignment of invention agreement, work-for-hire agreement, non-compete obligation or similar agreement or contract relating in any way to the protection, ownership, development, use or transfer of Intellectual Property.

(g) The Company's collection, storage, use, processing and dissemination of personal computer information and personally identifiable information in connection with its business has been conducted in accordance with all applicable Laws relating to privacy, data security and data protection that are binding on the Company and all applicable privacy policies adopted by or on behalf of the Company.

3.12. **Compliance with Laws.**

(a) The Company and each Subsidiary is in compliance with, and has complied, in all material respects with all Laws, including consumer protection Laws, and Orders applicable to the Company, the Subsidiaries, and their respective assets, employees, business or equity securities. None of the operation, activity, conduct and transactions of the Company or any Subsidiary, or the ownership, operation, use or possession of its assets or the employment of its employees materially violates, or with or without the giving of notice or passage of time, or both, will materially violate, conflict with or result in a material default, right to accelerate or loss of rights under, any terms or provisions of any Law or Order to which the Company is a party or by which the Company or its assets, business, employees or equity securities may be bound or affected. The Company has not received any written or, to the Knowledge of the Company, oral notice of any actual or alleged violation of or non-compliance with applicable Laws by the Company.

(b) Neither the Company, any Subsidiary or any of their respective directors or officers, nor, to the Knowledge of the Company, any other Representative acting on behalf of the Company or any Subsidiary, is currently identified on the specially designated nationals or other blocked person list or otherwise currently subject to any U.S. sanctions administered by OFAC. Neither the Company, any Subsidiary nor any of their respective officers, directors or employees, nor to the Knowledge of the Company, any other Representative acting on their behalf, has (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to political activity, (ii) made any unlawful payment or offered anything of value to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns, (iii) made any other unlawful payment or (iv) violated any applicable money laundering or anti-terrorism law or regulation, nor have any of them otherwise taken any action which would reasonably cause the Company or any Subsidiary to be in violation of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable Law of similar effect.

3.13. **Permits.** There are no Permits required to be owned or possessed by the Company or any Subsidiary to own its assets or to conduct its business as now being conducted and as presently proposed to be conducted, except to the extent that the failure to have any such Permits, individually or in the aggregate, has not and would not reasonably be expected to have a Material Adverse Effect

3.14. **Litigation.** Except as described on Schedule 3.14, there is no (a) Action of any nature pending or, to the Knowledge of the Company, threatened or (b) Order now pending or previously rendered by a Governmental Authority, in either case of clauses (a) or (b), by or against the Company, any Subsidiary or any of their respective directors, officers or equity holders (provided, that any litigation involving the directors, officers or equity holders of the Company or any Subsidiary must be related to the Company's or such Subsidiary's business, assets or equity securities) or the Company's or any Subsidiary's business, assets or equity securities. During the past five (5) years, none of the Company's or any Subsidiary's current or former officers, senior management or directors have been charged with, indicted for, arrested for, or convicted of any felony or any crime involving fraud. Neither the Company nor any Subsidiary has any material Action pending against any other Person.

3.15. **Contracts.**

(a) Schedule 3.15(a) contains a complete, current and correct list of all of the Contracts (including any Real Property Leases) to which the Company or any Subsidiary is a party, by which any of its properties or assets are bound, or under which the Company or any Subsidiary otherwise has material obligations. True and correct copies of such Contracts (including any amendments, modifications or supplements thereto) have been provided to Purchaser.

(b) Except as set forth on Schedule 3.15(b), neither the Company nor any Subsidiary is a party to or bound by any Contract containing any covenant (i) limiting in any respect the right of the Company or its Subsidiaries or Affiliates to engage in any line of business, to make use of any of its Intellectual Property or compete with any Person in any line of business or in any geographic region, (ii) imposing non-solicitation restrictions on the Company or its Subsidiaries or Affiliates, (iii) granting to the other party any exclusivity or similar provisions or rights, including any covenant by the Company that includes an organizational conflict of interest prohibition, restriction, representation, warranty or notice provision or any other restriction on future contracting, (iv) providing "most favored customers" or other preferential pricing terms for the services of the Company, any Subsidiary or any of their Affiliates, or (v) otherwise limiting or restricting the right of the Company or any Subsidiary to sell or distribute any Intellectual Property of the Company or any Subsidiary to purchase or otherwise obtain any software or Intellectual Property license.

(c) All of the Contracts to which the Company or any Subsidiary is a party, by which any of its properties or assets are bound, or under which the Company or any Subsidiary otherwise has material obligations are in full force and effect, and are valid, binding, and enforceable in accordance with their terms, subject to performance by the other party or parties to such Contract, except as the enforceability thereof may be limited by the Enforceability Exceptions. There exists no breach, default or violation on the part of the Company or any Subsidiary, to the Knowledge of the Company, on the part of any other party to any such Contract nor has the Company or any Subsidiary received written or, to the Knowledge of the Company, oral notice of any breach, default or violation. Neither the Company nor any Subsidiary has received notice of an intention by any party to any such Contract that provides for a continuing obligation by any party thereto on the date hereof to terminate such Contract or amend the terms thereof, other than modifications in the Ordinary Course of Business that do not adversely affect the Company or any Subsidiary. Neither the Company nor any Subsidiary has waived any rights under any such Contract. To the Knowledge of the Company, no event has occurred which either entitles, or would, with notice or lapse of time or both, entitle any party to any such Contract to declare breach, default or violation under any such Contract or to accelerate, or which does accelerate, the maturity of any Indebtedness of the Company or any Subsidiary under any such Contract. To the Knowledge of the Company, there is no reason to believe that any such Contract with a customer of the Company or any Subsidiary will not remain in effect after the Closing through the remainder of its term or continue to generate substantially the same or more revenue after the Closing through the remainder of its term as it currently generates.

3.16. **Tax Matters.** Except as set forth on Schedule 3.16: (i) the Company (and for all purposes of this Section 3.16 including each Subsidiary) has timely filed all material Tax Returns required to have been filed by it; (ii) all such Tax Returns are accurate and complete in all material respects; (iii) the Company has paid all Taxes owed by it which were due and payable (whether or not shown on any Tax Return); (iv) the charges, accruals and reserves with respect to Taxes included within the Financial Statements are materially accurate; (v) the Company is not currently the beneficiary of any extension of time within which to file any Tax Return; (vi) there is no current Action against the Company in writing by a Governmental Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by that jurisdiction; (vii) to the Knowledge of the Company, there are no pending or ongoing audits or assessments of the Company's Tax Returns by a Governmental Authority; (xiii) the Company has not requested or received any ruling from, or signed any binding agreement with, any Governmental Authority, that would apply to any Tax periods ending after the Closing Date; (ix) there are no Liens on any of the assets of the Company that arose in connection with any failure (or alleged failure) to pay any Tax; (x) no unpaid Tax deficiency has been asserted in writing against or with respect to the Company by any Governmental Authority which Tax remains unpaid; (xi) the Company has collected or withheld all Taxes currently required to be collected or withheld by it, and all such Taxes have been paid to the appropriate Governmental Authorities or set aside in appropriate accounts for future payment when due; (xii) the Company has not granted or is subject to, any waiver of the period of limitations for the assessment of Tax for any currently open taxable period; (xiii) the Company is not a party to any Tax allocation, sharing or indemnity agreement or otherwise has any potential or actual Liability for the Taxes of another Person, whether by applicable Tax Law, as a transferee or successor or by contract, indemnity or otherwise; (xiv) neither the Company nor any of its former, current or future equity holders is required to include in income any amount for an adjustment pursuant to Section 481 of the Code or the Regulations thereunder; (xv) there is no Contract or employee benefit plan covering any Person that, individually or collectively, could give rise to the payment of any amount that would not be deductible by the Company by reason of Section 280G or Section 162(m) of the Code, and no arrangement exists pursuant to which the Company or its Affiliate will be required to "gross up" or otherwise compensate any Person because of the imposition of any Tax on a payment to such Person; (xvi) the Company has not been a beneficiary of or participated in any "reportable transaction" within the meaning of Regulations Section 1.6011-4(b)(1) that was, is, or to the Knowledge of the Company will ever be, required to be disclosed under Regulations Section 1.6011-4; (xvii) no Tax Return filed by or on behalf of the Company has contained a disclosure statement under Section 6662 of the Code (or any similar provision of Law), and no Tax Return has been filed by or on behalf of the Company with respect to which the preparer of such Tax Return advised consideration of inclusion of such a disclosure, which disclosure was not made; (xiii) the Company does not have a "permanent establishment" in any foreign country, as defined in any applicable Tax treaty or convention between the United States of America and such foreign country; (xix) the Company is materially in compliance with the terms and conditions of any applicable Tax exemptions, Tax agreements or Tax orders of any Taxing Authority to which it may be subject or which it may have claimed, and the transactions contemplated by this Agreement will not have any material and adverse effect on such compliance; (xx) no written power of attorney which is currently in force has been granted by or with respect to the Company with respect to any matter relating to Taxes that remain outstanding after Closing; and (xxi) there has not been any change in Tax accounting method after the Balance Sheet Date by the Company and the Company has not received a ruling from, or signed an agreement with, any Taxing Authority that would reasonably be expected to have a material impact on Taxes of the Company or the equity holders of the Company following the Closing.

3.17. **Employees and Labor Matters.**

(a) Schedule 3.17(a) sets forth a complete and accurate list of all employees of the Company (and for all purposes of this Section 3.17 including each Subsidiary) as of the date hereof showing for each as of that date (i) the employee's name, employer, job title or description, location, salary level (including any bonus, commission, deferred compensation or other remuneration payable (other than any such arrangements under which payments are at the discretion of the Company)) and (ii) any bonus, commission or other remuneration other than salary paid during the Company' fiscal year ending December 31, 2024 or during the 2025 fiscal year prior to the date hereof. Except as set forth on Schedule 3.17(a), no employee is a party to a written employment agreement or contract with the Company and each is employed "at will". The Company has paid in full to all employees all wages, salaries, commission, bonuses and other compensation due, including overtime compensation, and there are no severance payments which are or could become payable by the Company to any employee under the terms of any written or, to the Knowledge of the Company, oral agreement, or commitment or any Law, custom, trade or practice.

(b) Schedule 3.17(b) contains a list of all independent contractors (including consultants) currently engaged by the Company, along with the position, date of retention and rate of remuneration, most recent increase (or decrease) in remuneration and amount thereof, for each such Person. All of such independent contractors are a party to a written agreement or contract with the Company. Each such independent contractor has entered into customary covenants regarding confidentiality, non-competition and assignment of inventions and copyrights in such Person's agreement with the Company, true and correct copies of which have been provided to Purchaser. For the purposes of applicable Law, all independent contractors who are currently, or within the last six (6) years have been, engaged by the Company are bona fide independent contractors and not employees of the Company. Each independent contractor is terminable on fewer than thirty (30) days' notice, without any obligation of the Company to pay severance or a termination fee.

(c) The Company is in compliance with all applicable Laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and is not engaged in any unfair labor practice, failure to comply with which or engagement in which, as the case may be, has had or would reasonably be expected to have, a Material Adverse Effect. There is no unfair labor practice complaint pending or, to the Knowledge of the Company, threatened against the Company.

3.18. **Benefit Plans**.

(a) Set forth on Schedule 3.18(a) is a true and complete list of each Benefit Plan the Company maintains (each, a "***Company Benefit Plan***"). With respect to each Company Benefit Plan, there are no funded benefit obligations for which contributions have not been made or properly accrued and there are no unfunded benefit obligations that have not been accounted for by reserves, or otherwise properly footnoted in accordance with GAAP on the Company Financials. The Company is not nor has in the past been a member of a "controlled group" for purposes of Section 414(b), (c), (m) or (o) of the Code, nor does the Company have any Liability with respect to any collectively-bargained for plans, whether or not subject to the provisions of ERISA. No statement, either written or oral, has been made by the Company to any Person with regard to any Company Benefit Plan that was not in accordance with the Company Benefit Plan in any material respect.

(b) Each Company Benefit Plan is and has been operated at all times in compliance with all applicable Laws in all material respects, including ERISA and the Code. Each Company Benefit Plan which is intended to be "qualified" within the meaning of Section 401(a) of the Code (i) has been determined by the IRS to be so qualified (or is based on a prototype plan which has received a favorable opinion letter) during the period from its adoption to the date of this Agreement and (ii) its related trust has been determined to be exempt from taxation under Section 501(a) of the Code or the Company have requested an initial favorable IRS determination of qualification and/or exemption within the period permitted by applicable Law. No fact exists which could adversely affect the qualified status of such Company Benefit Plans or the exempt status of such trusts.

(c) With respect to each Company Benefit Plan: (i) such Company Benefit Plan has been administered and enforced in all material respects in accordance with its terms, the Code and ERISA; (ii) no breach of fiduciary duty has occurred; (iii) no Action is pending, or to the Company's Knowledge, threatened (other than routine claims for benefits arising in the ordinary course of administration); (iv) no prohibited transaction, as defined in Section 406 of ERISA or Section 4975 of the Code, has occurred, excluding transactions effected pursuant to a statutory or administration exemption; and (v) all contributions and premiums due through the Closing Date have been made in all material respects as required under ERISA or have been fully accrued in all material respects on the Company Financials.

(d) No Company Benefit Plan is a "defined benefit plan" (as defined in Section 414(j) of the Code), a "multiemployer plan" (as defined in Section 3(37) of ERISA) or a "multiple employer plan" (as described in Section 413(c) of the Code) or is otherwise subject to Title IV of ERISA or Section 412 of the Code, and no Target Company has incurred any Liability or otherwise could have any Liability, contingent or otherwise, under Title IV of ERISA and no condition presently exists that is expected to cause such Liability to be incurred. No Company Benefit Plan will become a multiple employer plan with respect to the Company immediately after the Closing Date. No Target Company currently maintains or has ever maintained, or is required currently or has ever been required to contribute to or otherwise participate in, a multiple employer welfare arrangement or voluntary employees' beneficiary association as defined in Section 501(c)(9) of the Code.

(e) There is no arrangement under any Company Benefit Plan with respect to any employee that would result in the payment of any amount that by operation of Sections 280G or 162(m) of the Code would not be deductible by the Company and no arrangement exists pursuant to which the Company will be required to "gross up" or otherwise compensate any person because of the imposition of any excise tax on a payment to such person.

(f) The consummation of the transactions contemplated by this Agreement and the Ancillary Documents will not: (i) entitle any individual to severance pay, unemployment compensation or other benefits or compensation; (ii) accelerate the time of payment or vesting, or increase the amount of any compensation due, or in respect of, any individual; or (iii) result in or satisfy a condition to the payment of compensation that would, in combination with any other payment, result in an "excess parachute payment" within the meaning of Section 280G of the Code. The Company has not incurred any Liability for any Tax imposed under Chapter 43 of the Code or civil liability under Section 502(i) or (l) of ERISA.

(g) Except to the extent required by Section 4980B of the Code or similar state Law, the Company does not provide health or welfare benefits to any former or retired employee or is obligated to provide such benefits to any active employee following such employee's retirement or other termination of employment or service.

3.19. **Insurance.** Schedule 3.19 lists all insurance policies held by the Company (and for all purposes of this Section 3.19 including each Subsidiary) relating to the Company or the business, assets, properties, directors, officers or employees of the Company, copies of which have been provided to Purchaser. Each such insurance policy (i) is legal, valid, binding, enforceable and in full force and effect as of the date hereof and (ii) will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms immediately following the Closing. The Company is not in default with respect to its obligations under any insurance policy, nor has the Company ever been denied insurance coverage for any reason. The Company has no any self-insurance or co-insurance programs. The Company has not made any claim against an insurance policy as to which the insurer is denying coverage. Schedule 3.19 identifies each individual insurance claim made by the Company since January 1, 2024. The Company has reported to its insurers all Actions and pending circumstances that would reasonably be expected to result in an Action, except where such failure to report such Actions, individually or in the aggregate, has not and would not reasonably be expected to have a Material Adverse Effect. To the Knowledge of the Company, no event has occurred, and no condition or circumstance exists, that would reasonably be expected to (with or without notice or lapse of time) give rise to or serve as a basis for the denial of any such insurance claim.

3.20. **Transactions with Related Persons.** Except as set forth on Schedule 3.20, no officer, director, manager, employee, trustee or beneficiary of the Company, any Subsidiary or any Affiliate thereof, nor any immediate family member of any of the foregoing (whether directly or indirectly through an Affiliate of such Person) (each of the foregoing, a "***Related Person***") is presently, or in the past three (3) years has been, a party to any transaction with the Company or any Subsidiary, including any Contract or other arrangement (a) providing for the furnishing of services by (other than as officers, directors or employees of the Company or any Subsidiary), (b) providing for the rental of real or personal property from or (c) otherwise requiring payments to (other than for services or expenses as directors, officers or employees of the Company or any Subsidiary in the Ordinary Course of Business) any Related Person or any Person in which any Related Person has an interest as an owner, officer, manager, director, trustee or partner or in which any Related Person has any direct or indirect interest. Except as set forth on Schedule 3.20, neither the Company nor any Subsidiary has any outstanding Contract or other arrangement or commitment with any Related Person, and no Related Person owns any real or personal property, or right, tangible or intangible (including Intellectual Property) which is used in any Company's or Subsidiary's business. The Company's consolidated assets do not include any receivable or other obligation from a Related Person, and the consolidated Liabilities of the Company do not include any payable or other obligation or commitment to any Related Person. Schedule 3.20 specifically identifies all Contracts, arrangements or commitments set forth on Schedule 3.20 that cannot be terminated upon sixty (60) days' notice by the Company or any Subsidiary without cost or penalty.

3.21. **Bank Accounts.** Schedule 3.21 lists the names and locations of all banks and other financial institutions with which the Company or any Subsidiary maintains an account (or at which an account is maintained to which the Company or any Subsidiary has access as to which deposits are made on behalf of the Company or any Subsidiary) (each, a "***Bank Account***"), in each case listing the type of Bank Account, the Bank Account number therefor, and the names of all Persons authorized to draw thereupon or have access thereto and lists the locations of all safe deposit boxes used by the Company. All cash in such Bank Accounts is held on demand deposit and is not subject to any restriction or limitation as to withdrawal.

3.22. **No Brokers.** Neither the Company, the Company stockholders nor any of their respective Representatives on their behalf, has employed any broker, finder or investment banker or incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated by this Agreement.

3.23. **Full Disclosure.** This Agreement does not, and any Ancillary Document will not, (i) contain any representation, warranty or information by Company that is false or misleading with respect to any material fact, or (ii) omit to state any material fact necessary in order to make the representations, warranties and information contained and to be contained herein and therein (in the light of the circumstances under which such representations, warranties and information were or will be made or provided) not false or misleading.

3.24. **Reliance.** The Company acknowledges that it, the Company Stockholders and their respective representatives have been permitted access to the books and records, facilities, equipment, tax returns, contracts, insurance policies (or summaries thereof) and other properties and assets of the Purchaser that the Company, the Company Stockholders and their respective Representatives have desired or requested to see or review, and that the Company, the Company Stockholders and their respective Representatives have had a full opportunity to meet with the officers and employees of the Purchaser to discuss the business of the Purchaser. The Company acknowledges that, except for the representations and warranties of the Purchaser and Merger Sub contained in ARTICLE IV or pursuant to the certificate to be delivered pursuant to ARTICLE VII, neither the Purchaser, Merger Sub nor any other Person has made, and the Company has not relied on, any other express or implied representation or warranty by or on behalf of, or with respect to, the Purchaser of Merger Sub. Except as set forth in any representation or warranty set forth in ARTICLE IV or in the certificate to be delivered pursuant to ARTICLE VII, the Company acknowledges that neither the Purchaser, nor Merger Sub, nor any other Person, directly or indirectly, has made, and the Company has not relied on, any representation or warranty regarding the financial projections or other forward-looking statements of the Purchaser or Merger Sub, and the Company will not make any claim with respect thereto.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER AND MERGER SUB

The Purchaser and Merger Sub represent and warrant to the Company the following matters as of the date hereof (except to the extent that a representation and warranty contained in this ARTICLE IV expressly states that such representation and warranty is current as of an earlier date and then such statements contained in this ARTICLE IV are true and correct as of such earlier date), in each case, except as set forth in the Disclosure Schedules or the SEC Reports:

4.1. **Organization and Qualification.** Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the requisite corporate power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted. Merger Sub is a wholly-owned Subsidiary of Purchaser, is duly organized, validly existing and in good standing under the laws of the State of Nevada, and has the requisite corporate power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted. Each of Purchaser and Merger Sub is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification or license is required, except where the failure to be so qualified or be so licensed would not have a material and adverse effect on the ability of the Purchaser to consummate the transactions contemplated by, and discharge its obligations under, this Agreement and the Ancillary Documents to which the Purchaser is a party (a "***Purchaser Material Adverse Effect***").

4.2. **Authorization.** Purchaser has full corporate power and authority to enter into this Agreement and the Ancillary Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Documents to which each of Purchaser and Merger Sub are a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate and/or limited liability company action on the part of Purchaser and Merger Sub and no other corporate proceedings on the part of Purchaser or Merger Sub are necessary to authorize this Agreement, or to consummate the transactions so contemplated. This Agreement has been duly executed and delivered by the Purchaser and Merger Sub. This Agreement and each Ancillary Document to which the Purchaser and Merger Sub are a party constitutes a legal, valid and binding obligation of such Purchaser party, enforceable against each of Purchaser and Merger Sub in accordance with its terms, except as the enforceability thereof may be limited by the Enforceability Exceptions.

4.3. **Non-Contravention.** Neither the execution and delivery of this Agreement or any Ancillary Document by the Purchaser and Merger Sub, nor the consummation of the transactions contemplated hereby or thereby, will violate or conflict with or (with or without notice or the passage of time or both) constitute a breach of, or default under (a) any provision of the Governing Documents of the Purchaser, (b) any Law or Order to which each of Purchaser and Merger Sub or any of their business or assets are bound or subject or (c) any Contract or Permit to which Purchaser or Merger Sub is a party or by which Purchaser or Merger Sub or any of its properties may be bound or affected, such violations and conflicts which would not reasonably be expected to have a Purchaser Material Adverse Effect.

4.4. **Capitalization.** The Purchaser is authorized to issue (i) 100,000,000 shares of Purchaser Common Stock, 4,252,009 of which shares are issued and outstanding as of December 4, 2025, and (ii) 10,000,000 shares of Purchaser Preferred Stock, of which there are no shares authorized and no shares of Series A Preferred Stock issued and outstanding, no shares authorized and no shares of Series B Preferred Stock issued and outstanding, 10,000 authorized and 3,800 issued and outstanding shares of Series C Preferred Stock, and 5,000 authorized and 5,000 issued and outstanding of Series D Preferred Stock, all as of the date hereof. Purchaser has reserved from its duly authorized capital stock the Stockholder Merger Consideration issuable at the Closing pursuant to this Agreement. When issued by Purchaser to the stockholders of the Company in accordance with the terms of this Agreement, the Stockholder Merger Consideration: (a) will be issued free and clear of all Liens except (i) those imposed by applicable securities Laws, and (ii) the rights of the Purchaser Indemnified Parties under this Agreement (including under ARTICLE VII); (b) will be validly and duly issued and fully paid and non-assessable; and (c) will not be subject to any preemptive or similar rights of a stockholder of Purchaser to subscribe for or purchase additional securities of Purchaser as a result of such issuance. All of the issued and outstanding equity securities of the Merger Sub are owned by the Purchaser.

4.5. **SEC Filings; Financial Statements.**

(a) In the past two (2) years, Purchaser has filed with, or otherwise transmitted to, the SEC all forms, reports, schedules, statements, certifications and other documents (including all exhibits, amendments and supplements thereto) required by it to be filed with or otherwise transmitted to (as applicable) the SEC (such documents, the "***SEC Reports***"), and such SEC Reports are available on the SEC's website through EDGAR. As of their respective dates, each of the SEC Reports complied in all material respects with the applicable requirements of all applicable Laws, including the Securities Act and the Exchange Act, as the case may be, and the respective rules and regulations promulgated thereunder, each as in effect on the date so filed. Except to the extent amended or superseded by a subsequent filing with the SEC, as of their respective dates (and if so amended or superseded, then on the date of such subsequent filing), none of the SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated or incorporated by reference therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. There are no outstanding or unresolved comments in any comment letters of the staff of the SEC received by Purchaser relating to the SEC Reports. Purchaser has heretofore made available to the Company, through EDGAR or otherwise, true, correct and complete copies of all material written correspondence between Purchaser and the SEC. None of the SEC Reports is, to the Knowledge of Purchaser, the subject of ongoing SEC review. None of Purchaser's Subsidiaries is required to file any reports or other documents with the SEC.

(b) The financial statements (including in all cases the notes thereto, if any) of Purchaser and its Subsidiaries included in the SEC Reports (i) in all material respects, were prepared consistent with the books and records of Purchaser and its Subsidiaries, (ii) in all material respects, present fairly the consolidated financial position of Purchaser and its Subsidiaries as of the respective dates thereof and the consolidated results of operations and cash flows of Purchaser and its Subsidiaries for the periods thereof, (iii) have been prepared in accordance with GAAP; provided, that, any unaudited, interim period financial statements need not include footnote disclosures and other presentation items or year-end adjustments that are required by GAAP to be included in year-end financial statements, and (iv) comply in all material respects with the applicable accounting requirements of the SEC, the Securities Act and the Exchange Act, and the rules and regulations promulgated thereunder.

(c) Purchaser maintains disclosure controls and procedures that satisfy the requirements of Rule 13a-15 under the Exchange Act, and such disclosure controls and procedures are designed to ensure that all material information concerning Purchaser is made known on a timely basis to the individuals responsible for the preparation of Purchaser's filings with the SEC and other public disclosure documents.

4.6. **Compliance with Laws.** Purchaser and its Subsidiaries are in compliance with, and have complied, in all material respects with all Laws and Orders applicable to them, their assets, employees or business. None of the operation, activity, conduct and transactions of Purchaser and its Subsidiaries or the ownership, operation, use or possession of their assets or the employment of their employees materially violates, or with or without the giving of notice or passage of time, or both, will materially violate, conflict with or result in a material default, right to accelerate or loss of rights under, any terms or provisions of any Law or Order to which Purchaser or its Subsidiaries is a party or by which any of Purchaser or its Subsidiaries or their respective assets, business or employees may be bound or affected. None of Purchaser or its Subsidiaries have received any written or, to the Knowledge of Purchaser, oral notice of any actual or alleged violation of or non-compliance with applicable Laws in any material respect by Purchaser or any of its Subsidiaries.

4.7. **No Brokers.** Neither Purchaser, nor any Representative of Purchaser on its behalf, has employed any broker, finder or investment banker or incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated by this Agreement.

4.8. **Litigation.** Other than as disclosed in the SEC Reports, there is no Action pending or, to the Knowledge of Purchaser, threatened, nor any Order of any Governmental Authority is outstanding, against or involving the Purchaser or any of its officers, directors, stockholders, properties, assets or businesses, whether at law or in equity, before or by any Governmental Authority, which would reasonably be expected to have a Purchaser Material Adverse Effect.

4.9. **No Other Representations and Warranties.** Except for the representations and warranties contained in this Agreement and the Ancillary Documents, no Purchaser party makes any express or implied representations or warranties, and the Purchaser hereby disclaims any other representations and warranties, whether made orally or in writing, by or on behalf of the Purchaser by any Person.

4.10. **Merger Sub.** Merger Sub is a direct wholly-owned subsidiary of Purchaser and: (a) was formed solely for the purpose of engaging in the transactions contemplated by this Agreement; (b) has engaged in no other business activities; and (c) has conducted its operations only as contemplated by this Agreement. All of the issued and outstanding equity of Merger Sub is validly issued, fully paid and non-assessable and is owned, beneficially and of record, by Purchaser free and clear of all Liens, options, rights of first refusal, stockholder agreements, limitations on Purchaser's voting rights and other encumbrances of any nature whatsoever.

4.11. **Absence of Certain Changes**. Except as expressly contemplated by this Agreement, between the date of Purchaser's most recent quarterly report on Form 10-Q required to be filed with the SEC and the date of this Agreement, there has not occurred any change, effect or event that has had or, with notice or lapse of time or both, would reasonably be expected to have a Purchaser Material Adverse Effect.

4.12. **Title to Assets.** The Purchaser and Merger Sub have good and marketable title in fee simple to all real property owned by them and good and marketable title in all personal property owned by them that is material to the business of the Purchaser and Merger Sub, free and clear of all Liens other than Permitted Liens. Any real property and facilities held under lease by the Company and Merger Sub are held by them under valid, subsisting and enforceable leases with which the Company and Merger Sub are in compliance.

4.13. **Intellectual Property.** The Purchaser and Merger Sub have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or required for use in connection with their respective businesses as described in the SEC Reports and which the failure to so have could have a Purchaser Material Adverse Effect (collectively, the "**Purchaser Intellectual Property Rights**"). Neither the Company nor Merger Sub has received a notice (written or otherwise) that any of, the Purchaser Intellectual Property Rights has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within two (2) years from the date of this Agreement. Neither the Purchaser nor Merger Sub has received, since the date of the latest audited financial statements included within the SEC Reports, a written notice of a claim or otherwise has any knowledge that the Purchaser Intellectual Property Rights violate or infringe upon the rights of any Person, except as could not have or reasonably be expected to not have a Purchaser Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Purchaser Intellectual Property Rights. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their intellectual properties, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

4.14. **Tax Matters.** Neither Purchaser nor any of its Subsidiaries has taken or agreed to take any action, or failed to take any action, that would prevent the Merger from constituting a reorganization within the meaning of Section 368(a) of the Code.

4.15. **Insurance.** The Purchaser is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Purchaser is engaged. Each insurance policy of the Purchaser (i) is legal, valid, binding, enforceable and in full force and effect as of the date hereof and (ii) will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms immediately following the Closing.

4.16. **Full Disclosure.** This Agreement does not, and any Ancillary Document will not, (i) contain any representation, warranty or information by Purchaser or Merger Sub that is false or misleading with respect to any material fact, or (ii) omit to state any material fact necessary in order to make the representations, warranties and information contained and to be contained herein and therein (in the light of the circumstances under which such representations, warranties and information were or will be made or provided) not false or misleading.

4.17. **Proxy Statement**. None of the information supplied or to be supplied by Purchaser for inclusion or incorporation by reference in the Proxy Statement will, at the dates mailed to the Company Stockholders, at the time of the Stockholders' Meeting and as of the Effective Time, contain any untrue statement of a material fact by Purchaser or Merger Sub or omit to state any material fact regarding Purchaser or Merger Sub required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, Purchaser makes no representation or warranty with respect to any information supplied by the Company which is contained in any of the foregoing documents.

4.18. **Reliance.** Purchaser and Merger Sub acknowledge that they and their respective representatives have been permitted access to the books and records, facilities, equipment, tax returns, contracts, insurance policies (or summaries thereof) and other properties and assets of the Company that they and their respective representatives have desired or requested to see or review, and that they and their respective representatives have had a full opportunity to meet with the officers and employees of the Company to discuss the business of the Company. Purchaser and Merger Sub acknowledge that, except for the representations and warranties of the Company contained in ARTICLE III or pursuant to the certificate to be delivered pursuant to ARTICLE VII, neither the Company nor any other Person has made, and neither Purchaser nor Merger Sub has relied on, any other express or implied representation or warranty by or on behalf of, or with respect to, the Company. Except as set forth in any representation or warranty set forth in ARTICLE III or in the certificate to be delivered pursuant to ARTICLE VI, Purchaser and Merger Sub acknowledge that neither the Company nor any other Person, directly or indirectly, has made, and neither Purchaser nor Merger Sub has relied on, any representation or warranty regarding the pro-forma financial information, financial projections or other forward-looking statements of the Company or any Company Subsidiary, and neither Purchaser nor Merger Sub will make any claim with respect thereto.

ARTICLE V
COVENANTS

5.1. **Conduct of Business of the Company**.

(a) Unless the Purchaser shall otherwise consent in writing (such consent not to be unreasonably withheld, conditioned or delayed), during the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement in accordance with Section 8.1 or the Closing (the "***Interim Period***"), except as expressly contemplated by this Agreement or as set forth on Schedule 5.1, the Company (and for all purposes of this Section 5.1 including each Subsidiary) shall, (i) conduct its businesses, in all material respects, in the Ordinary Course of Business consistent with past practice, (ii) comply with all Laws applicable to the Company and its businesses, assets and employees, and (iii) take all reasonable measures necessary or appropriate to preserve intact, in all material respects, their respective business organizations, to keep available the services of their respective managers, directors, officers, employees and consultants, and to preserve the possession, control and condition of their respective material assets, all as consistent with past practice.

(b) Without limiting the generality of Section 5.1(a) and except as contemplated by the terms of this Agreement or as set forth on Schedule 5.1, during the Interim Period, without the prior written consent of the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed), the Company shall not, and shall cause its Subsidiaries to not:

(i) amend, waive or otherwise change, in any respect, its Governing Documents;

(ii) authorize for issuance, issue, grant, sell, pledge, dispose of or propose to issue, grant, sell, pledge or dispose of any of its equity securities or any options, warrants, commitments, subscriptions or rights of any kind to acquire or sell any of its equity securities, or other securities, including any securities convertible into or exchangeable for any of its shares or other equity securities or securities of any class and any other equity-based awards, or engage in any hedging transaction with a third Person with respect to such securities;

(iii) split, combine, recapitalize or reclassify any of its shares or other equity interests or issue any other securities in respect thereof or pay or set aside any dividend or other distribution (whether in cash, equity or property or any combination thereof) in respect of its equity interests, or directly or indirectly redeem, purchase or otherwise acquire or offer to acquire any of its securities;

(iv) incur, create, assume, prepay or otherwise become liable for any Indebtedness (directly, contingently or otherwise) in excess of $50,000 (individually or in the aggregate), make a loan or advance to or investment in any third party, or guarantee or endorse any Indebtedness, Liability or obligation of any Person;

(v) increase the wages, salaries or compensation of its employees other than in the Ordinary Course of Business, consistent with past practice, and in any event not in the aggregate by more than five percent (5%), or make or commit to make any bonus payment (whether in cash, property or securities) to any employee, or materially increase other benefits of employees generally, or enter into, establish, materially amend or terminate any Company Benefit Plan with, for or in respect of any current consultant, officer, manager director or employee, in each case other than as required by applicable Law, pursuant to the terms of any Company Benefit Plans or in the Ordinary Course of Business;

(vi) make or rescind any material election relating to Taxes, settle any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes, file any amended Tax Return or claim for refund, or make any material change in its accounting or Tax policies or procedures, in each case except as required by applicable Law or in compliance with GAAP;

(vii) transfer or license to any Person or otherwise extend, materially amend or modify, permit to lapse or fail to preserve any of the Owned IP, or disclose to any Person who has not entered into a confidentiality agreement any Trade Secrets;

(viii) terminate, or waive or assign any material right under, any material Contract or enter into any Contract (A) involving amounts reasonably expected to exceed $50,000 per year or $150,000 in the aggregate, (B) that would be a material Contract or (C) with a term longer than one year that cannot be terminated without payment of a material penalty and upon notice of sixty (60) days or less;

(ix) establish any Subsidiary or enter into any new line of business;

(x) make any change in accounting methods, principles or practices, except to the extent required to comply with GAAP and after consulting with the Company's outside auditors;

(xi) waive, release, assign, settle or compromise any claim, action or proceeding (including any suit, action, claim, proceeding or investigation relating to this Agreement or the transactions contemplated hereby), other than waivers, releases, assignments, settlements or compromises that involve only the payment of monetary damages (and not the imposition of equitable relief on, or the admission of wrongdoing by, the Company or its Affiliates) not in excess of $50,000 (individually or in the aggregate), or otherwise pay, discharge or satisfy any Actions, Liabilities or obligations, unless such amount has been reserved in the Financial Statements;

(xii) acquire, including by merger, consolidation, acquisition of stock or assets, or any other form of business combination, any corporation, partnership, limited liability company, other business organization or any division thereof, or any material amount of assets outside the ordinary course of business consistent with past practice;

(xiii) make capital expenditures in excess of $50,000 (individually for any project (or set of related projects) or $150,000 in the aggregate);

(xiv) adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization;

(xv) incur any Indebtedness or voluntarily incur any Liability or obligation (whether absolute, accrued, contingent or otherwise) in excess of $50,000 individually or $150,000 in the aggregate other than pursuant to the terms of a material Contract or Company Benefit Plan;

(xvi) sell, lease, license, transfer, exchange or swap, mortgage or otherwise pledge or encumber (including securitizations), or otherwise dispose of any material portion of its properties, assets or rights;

(xvii) enter into any agreement, understanding or arrangement with respect to the voting of equity securities of the Company;

(xviii) enter into, amend, waive or terminate (other than terminations in accordance with their terms) any transaction with any Related Person (other than compensation and benefits and advancement of expenses, in each case, provided in the Ordinary Course of Business consistent with past practice); or

(xix) authorize or agree to do any of the foregoing actions.

5.2. **Conduct of Business by the Purchaser.** During the Interim Period, Purchaser and each of its subsidiaries shall not (i) amend the Purchaser certificate of incorporation, bylaws or other governing documents (other than to change its name); (ii) split, combine or reclassify its outstanding shares of capital stock; or (iii) declare, set aside or pay any dividend payable in cash, stock or property in respect of any capital stock other than dividends from its wholly-owned subsidiaries.

5.3. **Further Assurances.** In the event that at any time after the Closing any further action is reasonably necessary to carry out the purposes of this Agreement, each of the parties will take such further action (including the execution and delivery of such further instruments and documents) as the other parties reasonably may request, at the sole cost and expense of the requesting party (unless otherwise specified herein or unless such requesting party is entitled to indemnification therefor under ARTICLE VI in which case, the costs and expense will be borne by the parties as set forth in ARTICLE VI).

5.4. **Confidentiality.** The Company will, and will cause its Representatives to: (a) treat and hold in strict confidence any Confidential Information, and will not use for any purpose (except in furtherance of their authorized duties on behalf of Purchaser, the Company or their Affiliates), nor directly or indirectly disclose, distribute, publish, disseminate or otherwise make available to any third party any of the Confidential Information without Purchaser's prior written consent; (b) in the event that the Company or a Representative becomes legally compelled to disclose any Confidential Information, to provide Purchaser with prompt written notice of such requirement so that Purchaser or an Affiliate thereof may seek a protective order or other remedy or that Purchaser may waive compliance with this Section 5.4; (c) in the event that such protective order or other remedy is not obtained, or Purchaser waives compliance with this Section 5.4, to furnish only that portion of such Confidential Information which is legally required to be provided as advised in writing by outside counsel and to exercise their commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such Confidential Information; and (d) to promptly furnish to Purchaser any and all copies (in whatever form or medium) of all such Confidential Information and to destroy any and all additional copies of such Confidential Information and any analyses, compilations, studies or other documents prepared, in whole or in part, on the basis thereof; provided, however, that Confidential Information will not include any information which, at the time of disclosure by a Stockholder or its Representatives, is generally available publicly and was not disclosed in breach of this Agreement by a Stockholder or its Representatives.

5.5. **Publicity.** No party hereto shall, and each shall cause their respective Representatives not to, disclose, make or issue, any statement or announcement concerning this Agreement or the Ancillary Documents or the transactions contemplated hereby or thereby (including the terms, conditions, status or other facts with respect thereto) to any third parties (other than its Representatives who need to know such information in connection with carrying out or facilitating the transactions contemplated hereby) without the prior written consent of the other parties (such consent not to be unreasonably withheld, delayed or conditioned), except (i) in the case of the Company, as required by applicable Law after conferring with the other parties concerning the timing and content of such required disclosure, and (ii) in the case of Purchaser, as may be required of Purchaser or its Affiliates by applicable Law (including any SEC position) or securities listing or trading requirement.

5.6. **Litigation Support.** Following the Closing, in the event that and for so long as any party is actively contesting or defending against any third party or Governmental Authority Action in connection with any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act or transaction that existing on or prior to the Closing Date involving the Company, each of the other parties will (i) reasonably cooperate with the contesting or defending party and its counsel in the contest or defense, (ii) make available its personnel at reasonable times and upon reasonable notice and (iii) provide (A) such testimony and (B) access to its non-privileged books and records as may be reasonably requested in connection with the contest or defense, at the sole cost and expense of the contesting or defending party (unless such contesting or defending party is entitled to indemnification therefor under ARTICLE VI in which case, the costs and expense will be borne by the parties as set forth in ARTICLE VI).

5.7. **Proxy Statement**.

(a) As promptly as practicable after the Closing Date, the Purchaser shall prepare with the reasonable assistance of the Company, and file with the SEC a proxy statement (as amended, the "***Proxy Statement***") for the purpose of soliciting proxies from the Purchaser's stockholders to approve the conversion of the shares of Series E Preferred Stock into shares of the Purchaser's Common Stock (the "***Purchaser Special Meeting***"). The Purchaser shall use its commercially reasonable efforts to hold Purchaser Special Meeting within sixty (60) calendar days of the Closing Date with the recommendation of the Purchaser's board of directors that such proposal(s) be approved. The Purchaser shall solicit proxies from its stockholders with respect to the Purchaser Special Meeting in the same manner as all other management proposals contained in such proxy statement. The Purchaser shall use its reasonable best efforts to obtain stockholder approval at the Purchaser Special Meeting. If the Purchaser does not obtain Stockholder Approval at the Purchaser Special Meeting, the Purchaser shall call a stockholder meeting every three (3) months thereafter until the date stockholder approval is obtained. The Purchaser shall use best efforts to have management and the directors of the Purchaser to vote all shares of Common Stock over which it has voting control that are eligible to vote at, and are held of record on, the applicable record date, if any, in favor of any and all proposals and/or resolutions presented by the Purchaser for purposes of obtaining stockholder approval at the Purchaser Special Meeting.

(b) Purchaser, with the assistance of the Company and other Parties, shall promptly respond to any SEC comments on the Proxy Statement and shall otherwise use its commercially reasonable efforts to cause the Proxy Statement to "clear" comments from the SEC and become effective. Each Party shall provide the other Party with copies of any written comments, and shall inform the other Party of any material oral comments, that such Party or its Representatives receive from the SEC or its staff with respect to the Proxy Statement, the Purchaser Special Meeting promptly after the receipt of such comments and shall give the other Party a reasonable opportunity under the circumstances to review and comment on any proposed written or material oral responses to such comments.

5.8. **Purchaser Board of Directors**. Immediately after the Closing, the Parties shall take all necessary action to designate and appoint to the board of directors of the Purchaser, one person who shall be designated by the Company as President and as a director of the Purchaser upon execution of the Agreement and who shall be reasonably acceptable to the Purchaser.

5.9. **Access to Information.** During the Interim Period, each of Purchaser and Company shall afford the other and its accountants, counsel and other representatives reasonable access during normal business hours to the properties, books, records and personnel of Purchaser and the Company, as applicable, to obtain all information concerning the business of such company, including, without limitation, the status of its product development efforts, properties, results of operations and personnel, as Purchaser and the Company may reasonably request. No information or knowledge obtained by Purchaser and the Company during the course of any investigation conducted pursuant to this Section 5.9 shall affect, or be deemed to modify in any respect any representation or warranty contained herein or the conditions to the obligations of the parties to consummate the transactions contemplated herein.

5.10. **Reasonable Efforts.** Upon the terms and subject to the conditions set forth in this Agreement, each of the parties hereto shall use its commercially reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties hereto in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Merger and the other transactions contemplated by this Agreement, including, without limitation, using reasonable efforts to accomplish the following: (i) the taking of all reasonable actions necessary to cause the conditions precedent set forth in this Agreement to be satisfied, (ii) the obtaining of all necessary actions or nonactions, waivers, consents, approvals, orders and authorizations from Governmental Authority, and the making of all necessary registrations, declarations and filings (including registrations, declarations and filings with Governmental Authorities, if any), and the taking of all reasonable steps as may be necessary to avoid any suit, claim, action, investigation or proceeding by any Governmental Authority, (iii) the obtaining of all necessary consents, approvals or waivers from third parties which may be required or desirable as a result of, or in connection with, the transactions contemplated by this Agreement, (iv) the defending of any suits, claims, actions, investigations or proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated hereby, including, without limitation, seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reversed, and (v) the execution or delivery of any additional certificates, instruments and other documents necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement. In connection with and without limiting the foregoing, each of Purchaser and the Company and its respective Board of Directors shall, if any state takeover statute or similar statute or regulation is or becomes applicable to the Merger, this Agreement or any of the transactions contemplated by this Agreement, use all commercially reasonable efforts to ensure that the Merger and the other transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise to minimize the effect of such statute or regulation on the Merger, this Agreement and the transactions contemplated hereby. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be deemed to require Purchaser and the Company or any subsidiary or affiliate thereof to agree to any divestiture by itself or any of its affiliates of shares of capital stock or of any business, assets or property, or the imposition of any material limitation on the ability of any of them to conduct their businesses or to own or exercise control of such assets, properties and stock.

5.11. **Directors' and Officers' Indemnification**

(a) Purchaser and Merger Sub agree that all rights to indemnification, advancement of expenses and exculpation by the Company now existing in favor of each person who is now, or has been at any time prior to the date hereof or who becomes prior to the Closing Date an officer or director of the Company (the "***D&O Indemnified Party***"), in each case as in effect on the date of this Agreement, or pursuant to any other contracts in effect on the date hereof, shall be assumed by the Surviving Entity in the Merger, without further action, at the Closing Date and shall survive the Merger and shall remain in full force and effect in accordance with their terms, and, in the event that any proceeding is pending or asserted or any claim made during such period, until the final disposition of such proceeding or claim.

(b) For six years after the Effective Time, to the fullest extent permitted under applicable Law, Purchaser and the Surviving Entity (the "***D&O Indemnifying Parties***") shall indemnify, defend and hold harmless each D&O Indemnified Party against all losses, claims, damages, liabilities, fees, expenses, judgments and fines arising in whole or in part out of actions or omissions in their capacity as such occurring at or prior to the Effective Time (including in connection with the transactions contemplated by this Agreement), and shall reimburse each D&O Indemnified Party for any legal or other expenses reasonably incurred by such D&O Indemnified Party in connection with investigating or defending any such losses, claims, damages, liabilities, fees, expenses, judgments and fines as such expenses are incurred, subject to the Surviving Entity's receipt of an undertaking by such D&O Indemnified Party to repay such legal and other fees and expenses paid in advance if it is ultimately determined in a final and non-appealable judgment of a court of competent jurisdiction that such Indemnified Party is not entitled to be indemnified under applicable Law; *provided, however,* that the Surviving Entity will not be liable for any settlement effected without the Surviving Entity's prior written consent (which consent shall not be unreasonably withheld or delayed).

(c) The obligations of Purchaser and the Surviving Entity under this Section 5.11 shall survive the consummation of the Merger and shall not be terminated or modified in such a manner as to adversely affect any D&O Indemnified Party to whom this Section 5.11 applies without the consent of such affected D&O Indemnified Party (it being expressly agreed that the D&O Indemnified Parties to whom this Section 5.11 applies shall be third party beneficiaries of this Section 5.11, each of whom may enforce the provisions of this Section 5.11).

(d) In the event Purchaser, the Surviving Entity or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or Surviving Entity or entity in such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in either such case, proper provision shall be made so that the successors and assigns of Purchaser or the Surviving Entity, as the case may be, shall assume all of the obligations set forth in this Section 5.12. The agreements and covenants contained herein shall not be deemed to be exclusive of any other rights to which any Indemnified Party is entitled, whether pursuant to Law, Contract or otherwise. Nothing in this Agreement is intended to, shall be construed to or shall release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to the Company or its officers, directors and employees, it being understood and agreed that the indemnification provided for in this Section 5.11 is not prior to, or in substitution for, any such claims under any such policies.

5.12. **Notification; Updates to Company Disclosure Schedule**.

(a) Prior to Closing, the Company shall promptly notify the Purchaser in writing of:

(i) the discovery by the Company of any event, condition, fact or circumstance that occurred or existed on or prior to the date of this Agreement and that caused or constitutes in any material respect an inaccuracy in or breach of any representation or warranty made by the Company in this Agreement (as modified by the Company Disclosure Schedule);

(ii) any event, condition, fact or circumstance that occurs, arises or exists after the date of this Agreement and that would cause or constitute in any material respect an inaccuracy in or breach of any representation or warranty made by the Company in this Agreement if (A) such representation or warranty had been made as of the time of the occurrence, existence or discovery of such event, condition, fact or circumstance, or (B) such event, condition, fact or circumstance had occurred, arisen or existed on or prior to the date of this Agreement;

(iii) any material breach of any covenant or obligation of the Company; and

(iv) any event, condition, fact or circumstance that would make the satisfaction of any of the conditions set forth in this Agreement impossible or unlikely.

(b) If any event, condition, fact or circumstance that is required to be disclosed pursuant to Section 5.12(a) requires any change in the Company Disclosure Schedule, or if any such event, condition, fact or circumstance would require such a change assuming the Company Disclosure Schedule were dated as of the date of the occurrence, existence or discovery of such event, condition, fact or circumstance, then the Company shall promptly deliver to the Purchaser an update to the Company Disclosure Schedule specifying such change. No such update shall be deemed to supplement or amend the Company Disclosure Schedule for the purpose of (i) determining the accuracy of any of the representations and warranties or the performance of any covenant made by the Company in this Agreement (including for purposes of indemnification pursuant to ARTICLE VI), or (ii) determining whether any of the conditions set forth in ARTICLE VII has been satisfied.

ARTICLE VI
CLOSING CONDITIONS

6.1. **Conditions to Each Party's Obligations**. The obligations of each party to consummate the transactions described herein shall be subject to the satisfaction or written waiver (where permissible) by the Company and the Purchaser of the following conditions:

(a) All Consents required to be obtained from or made with any Governmental Authority in order to consummate the transactions contemplated by this Agreement, shall have been obtained or made.

(b) The Consents required to be obtained from or made with any third Person (other than a Governmental Authority) in order to consummate the transactions contemplated by this Agreement that are set forth in Schedule 6.1(b) shall have each been obtained or made.

(c) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) or Order that is then in effect and which has the effect of making the transactions or agreements contemplated by this Agreement illegal or which otherwise prevents or prohibits consummation of the transactions contemplated by this Agreement.

(d) There shall not be any pending Action brought by a third-party non-Affiliate to enjoin or otherwise restrict the consummation of the Closing.

6.2. **Conditions to Obligations of the Company**. In addition to the conditions specified in Section 6.1, the obligations of the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction or written waiver (by the Company) of the following conditions:

(a) All of the representations and warranties of the Purchaser and/or Merger Sub set forth in this Agreement and in any certificate delivered by the Purchaser pursuant hereto shall be true and correct on and as of the date of this Agreement and on and as of the Closing Date as if made on the Closing Date, except for (i) those representations and warranties that address matters only as of a particular date (which representations and warranties shall have been accurate as of such date), and (ii) any failures to be true and correct that (without giving effect to any qualifications or limitations as to materiality or Material Adverse Effect), individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on, or with respect to, the Purchaser and that do not materially and adversely affect the Purchaser's ability to consummate the transactions contemplated hereby.

(b) The Purchaser shall have performed in all material respects all of the Purchaser's and/or Merger Sub's obligations and complied in all material respects with all of the Purchaser's agreements and covenants under this Agreement to be performed or complied with by it on or prior to the Closing Date, including filing of the Series E Certificate of Designation with the Nevada Secretary of State.

(c) No Material Adverse Effect shall have occurred with respect to the Purchaser and/or Merger Sub since the date of this Agreement.

(d) Closing Deliveries.

(i) Each of the Purchaser and Merger Sub shall have delivered to the Company a certificate, dated the Closing Date, signed by an executive officer of the Purchaser in such capacity, certifying as to the satisfaction of the conditions specified in Sections 6.2(a), 6.2(b) and 6.2(c).

(ii) Each of the Purchaser and Merger Sub shall have delivered to the Company a certificate from its secretary certifying as to (A) copies of the each of the Purchaser's and Merger Sub's Governing Documents as in effect as of the Closing Date, (B) the resolutions of each of the Purchaser's board of directors and Merger Sub's manager authorizing the execution, delivery and performance of this Agreement and each of the Ancillary Documents to which it is a party or by which it is bound, and the consummation of the transactions contemplated hereby and thereby, and (C) the incumbency of officers authorized to execute this Agreement or any Ancillary Document to which the Purchaser and Merger Sub is or is required to be a party or otherwise bound.

(iii) The Purchaser shall have delivered to the Company a good standing certificate (or similar documents applicable for such jurisdictions) for the Purchaser certified as of a date no later than thirty (30) days prior to the Closing Date from the proper Governmental Authority of the Purchaser's jurisdiction of organization and from each other jurisdiction in which the Purchaser is qualified to do business as a foreign entity as of the Closing, in each case to the extent that good standing certificates or similar documents are generally available in such jurisdictions.

6.3. **Conditions to Obligations of the Purchaser**. In addition to the conditions specified in Section 6.1, the obligations of the Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction or written waiver (by the Purchaser) of the following conditions:

(a) All of the representations and warranties of the Company set forth in this Agreement and in any certificate delivered by the Company, shall be true and correct on and as of the date of this Agreement and on and as of the Closing Date as if made on the Closing Date, except for (i) those representations and warranties that address matters only as of a particular date (which representations and warranties shall have been accurate as of such date), and (ii) any failures to be true and correct that (without giving effect to any qualifications or limitations as to materiality or Material Adverse Effect), individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on, or with respect to, the Company and that do not materially and adversely affect the Company's and each stockholder of the Company's ability to consummate the transactions contemplated hereby.

(b) The Company shall have performed in all material respects all of its obligations and complied in all material respects with all of its agreements and covenants under this Agreement to be performed or complied with by it on or prior to the Closing Date.

(c) No Material Adverse Effect shall have occurred with respect to the Company since the date of this Agreement.

(d) The Company shall have received an executed copy of the Debt Cancellation and Contribution Agreement with Myseum, Inc. ("MYSE") whereby pursuant to a contribution to the Company, MYSE and the Company irrevocably, unconditionally, and for no payment or consideration issued by the Company caused to be extinguished all advances that were owed by the Company.

(e) Closing Deliveries.

(i) The Purchaser shall have received a certificate from the Company, dated as the Closing Date, signed by an executive officer of the Company in such capacity, certifying as to the satisfaction of the conditions specified in Sections 6.3(a), 6.3(b) and 6.3(c).

(ii) The Company shall have delivered to the Purchaser a certificate from its secretary certifying as to (A) copies of the Company's Governing Documents as in effect as of the Closing Date, (B) the resolutions of the Company's board of directors and stockholders authorizing the execution, delivery and performance of this Agreement and each of the Ancillary Documents to which it is a party or by which it is bound, and the consummation of the transactions contemplated hereby and thereby, and (C) the incumbency of officers authorized to execute this Agreement or any Ancillary Document to which the Company is or is required to be a party or otherwise bound.

(iii) The Company shall have delivered to the Purchaser a good standing certificate (or similar documents applicable for such jurisdictions) for the Company certified as of a date no later than thirty (30) days prior to the Closing Date from the proper Governmental Authority of the Company's jurisdiction of organization.

(iv) The Purchaser shall have received duly executed written resolutions of the board of directors of the Company and the Company Stockholders, in the agreed form, approving: the Merger, Merger Agreement and the transactions contemplated thereby.

6.4. **Frustration of Condition**s. Notwithstanding anything contained herein to the contrary, no Party may rely on the failure of any condition set forth in this ARTICLE VI to be satisfied if such failure was caused by the failure of such Party or its Affiliates (or with respect to the Company, any stockholder of the Company) failure to comply with or perform any of its covenants or obligations set forth in this Agreement.

ARTICLE VII
TERMINATION AND EXPENSES

7.1. **Termination**. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing as follows:

(a) by mutual written consent of the Purchaser and the Company;

(b) by written notice by the Purchaser or the Company if any of the conditions to the Closing set forth in ARTICLE VI have not been satisfied or waived by December 31, 2025 (the "***Outside Date***"); provided, however, the right to terminate this Agreement under this Section 7.1(b) shall not be available to a Party if the breach or violation by such Party or its Affiliates of any representation, warranty, covenant or obligation under this Agreement was the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date;

(c) by written notice by either the Purchaser or the Company if a Governmental Authority of competent jurisdiction shall have issued an Order or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement, and such Order or other action has become final and non-appealable; provided, however, that the right to terminate this Agreement pursuant to this Section 7.1(c) shall not be available to a Party if the failure by such Party or its Affiliates to comply with any provision of this Agreement has been a substantial cause of, or substantially resulted in, such action by such Governmental Authority;

(d) by written notice by the Company, if (i) there has been a material breach by the Purchaser of any of its representations, warranties, covenants or agreements contained in this Agreement, or if any representation or warranty of the Purchaser shall have become materially untrue or materially inaccurate, in any case, which would result in a failure of a condition set forth in Section 6.2(a) or Section 6.2(b) to be satisfied (treating the Closing Date for such purposes as the date of this Agreement or, if later, the date of such breach), and (ii) the breach or inaccuracy is incapable of being cured or is not cured within the earlier of (A) twenty (20) days after written notice of such breach or inaccuracy is provided by the Company or (B) the Outside Date;

(e) by written notice by the Purchaser, if (i) there has been a breach by the Company of any of its representations, warranties, covenants or agreements contained in this Agreement, or if any representation or warranty of such Parties shall have become untrue or inaccurate, in any case, which would result in a failure of a condition set forth in Section 6.3(a) or Section 6.3(b) to be satisfied (treating the Closing Date for such purposes as the date of this Agreement or, if later, the date of such breach), and (ii) the breach or inaccuracy is incapable of being cured or is not cured within the earlier of (A) twenty (20) days after written notice of such breach or inaccuracy is provided by the Purchaser or (B) the Outside Date; or

(f) by written notice by the Purchaser if there shall have been a Material Adverse Effect on the Company or its Subsidiaries following the date of this Agreement which is uncured and continuing;

7.2. **Effect of Termination**.

(a) This Agreement may only be terminated in the circumstances described in Section 7.1 and pursuant to a written notice delivered by the applicable Party to the other applicable Parties, which sets forth the basis for such termination, including the provision of Section 7.1 under which such termination is made. In the event of the valid termination of this Agreement pursuant to Section 7.1, this Agreement shall forthwith become void, and there shall be no Liability on the part of any Party or any of their respective Representatives, and all rights and obligations of each Party shall cease, except: (i) Sections 5.4, 5.5, 8.2, ARTICLE VIII and this Section 7.2 shall survive the termination of this Agreement, and (ii) nothing herein shall relieve any Party from Liability for any willful breach of any representation, warranty, covenant or obligation under this Agreement or any Fraud Claim against such Party, in either case, prior to termination of this Agreement (in each case of clauses (i) and (ii) above, subject to ARTICLE VI). Without limiting the foregoing, and except as provided in Section 7.2 and this Section (a), but subject to Section ARTICLE VI, the Parties' sole right prior to the Closing with respect to any breach of any representation, warranty, covenant or other agreement contained in this Agreement by another Party or with respect to the transactions contemplated by this Agreement shall be the right, if applicable, to terminate this Agreement pursuant to Section 7.1.

ARTICLE VIII
GENERAL PROVISIONS

8.1. **Notices.** Any notice, request, instruction or other document to be given hereunder by a Party hereto shall be in writing and shall be deemed to have been given, (i) when received if given in person or by courier or a courier service, (ii) on the date of transmission if sent by facsimile or email (with affirmative confirmation of receipt, and provided, that the Party providing notice shall within two (2) Business Days provide notice by another method under this Section 8.1) or (iii) three (3) Business Days after being deposited in the U.S. mail, certified or registered mail, postage prepaid:

If to any Stockholder or, prior to the Closing, the	*with a copy (which will not constitute notice) to:*
Company, to: RPM Interactive, Inc. One Rockefeller Plaza, Suite 1039 New York, NY 10020 Attn: Michael Mattews, Chairman Telephone No: (914) 906-9159 Email: mike@rpminteractive.com	Sheppard Mullin Richter & Hampton, LLP 30 Rockefeller Plaza, 39th Floor New York, NY 10112 Attn: Richard A. Friedman, Esq. Facsimile No.: (212) 655-1729 Telephone No.: (212) 634-3031 Email: rafriedman@sheppardmullin.com
If to Purchaser or, after the Closing, the Company, to:	*with a copy (which will not constitute notice) to:*
Avalon GloboCare Corp. 4400 Route 9 South, Suite 3100 Freehold, NJ 07728 Attention: Luisa Ingargiola, CFO Telephone No.: (732) 780-4400 Email: luisa@avalon-globocare.com	Sichenzia Ross Ference Carmel LLP 1185 Avenue of the Americas, 31st floor, New York, NY 10036 Attention: Ross David Carmel, Esq. Facsimile No.: (212) 930-9725 Telephone No.: 646-838-1310 Email: rcarmel@srfc.law

or to such other individual or address as a Party hereto may designate for itself by notice given as herein provided.

8.2. **Fees and Expenses**. All Expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses. As used in this Agreement, "***Expenses***" shall include all out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financial advisors, financing sources, experts and consultants to a Party hereto or any of its Affiliates) incurred by a Party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution or performance of this Agreement or any Ancillary Document related hereto and all other matters related to the consummation of this Agreement.

8.3. **Severability.** In case any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired. Any illegal or unenforceable term will be deemed to be void and of no force and effect only to the minimum extent necessary to bring such term within the provisions of applicable Law and such term, as so modified, and the balance of this Agreement will then be fully enforceable. The parties will substitute for any invalid, illegal or unenforceable provision a suitable and equitable provision that carries out, so far as may be valid, legal and enforceable, the intent and purpose of such invalid, illegal or unenforceable provision.

8.4. **Assignment.** This Agreement may not be assigned by any Party without the prior written consent of the other Parties hereto, and any attempted assignment in violation of this Section 8.4 will be null and void ab initio; provided, however, that after the Closing, Purchaser and the Company may assign its rights and benefits hereunder (i) to any Affiliate of Purchaser or the Company, as applicable (provided, that Purchaser or the Company, as applicable, shall remain primarily responsible for its obligations hereunder), (ii) to any Person acquiring all or substantially all of the assets of Purchaser and its Subsidiaries taken as a whole or all or substantially all of the assets of the Company and its Subsidiaries taken as a whole or a majority of the outstanding equity securities of Purchaser or the Company (whether by stock purchase, merger, consolidation or otherwise); provided, that the assignee expressly assumes the obligations of Purchaser or the Company, as applicable, hereunder or (iii) as security to any Person providing debt financing to Purchaser or its Affiliates for the transactions contemplated hereby. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of each Party hereto.

8.5. **No Third-Party Beneficiaries.** Except for the indemnification rights of the Indemnified Parties set forth herein, this Agreement is for the sole benefit of the Parties hereto and their successors and permitted assigns and nothing herein expressed or implied shall give or be construed to give to any Person, other than the Parties hereto and such successors and permitted assigns, any legal or equitable rights hereunder.

8.6. **Amendment; Waiver.** This Agreement may not be amended or modified except by an instrument in writing signed by each of the Parties hereto. Notwithstanding anything to the contrary contained herein: (a) the failure of any Party at any time to require performance by the other of any provision of this Agreement will not affect such Party's right thereafter to enforce the same; (b) no waiver by any Party of any default by any other Party will be valid unless in writing and acknowledged by an authorized representative of the non-defaulting Party, and no such waiver will be taken or held to be a waiver by such Party of any other preceding or subsequent default; and (c) no extension of time granted by any Party for the performance of any obligation or act by any other Party will be deemed to be an extension of time for the performance of any other obligation or act hereunder.

8.7. **Entire Agreement.** This Agreement (including the Exhibits and Schedules hereto, which are hereby incorporated herein by reference and deemed part of this Agreement), together with the Ancillary Documents constitute the entire agreement among the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof.

8.8. **Remedies.** Except as specifically set forth in this Agreement, any Party having any rights under any provision of this Agreement will have all rights and remedies set forth in this Agreement and all rights and remedies which such party may have been granted at any time under any other contract or agreement and all of the rights which such party may have under any applicable Law. Except as specifically set forth in this Agreement, any such Party will be entitled to (a) enforce such rights specifically, without posting a bond or other security or proving damages or that monetary damages would be inadequate, (b) to recover damages by reason of a breach of any provision of this Agreement and (c) to exercise all other rights granted by applicable Law. The exercise of any remedy by a Party will not preclude the exercise of any other remedy by such Party.

8.9. **Dispute Resolution.** Any and all disputes, controversies and claims (other than applications for a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief or application for enforcement of a resolution under this Section 8.9) arising out of, related to, or in connection with this Agreement or the transactions contemplated hereby (a "***Dispute***") shall be governed by this Section 8.9. A Party must, in the first instance, provide written notice of any Disputes to the other Parties subject to such Dispute, which notice must provide a reasonably detailed description of the matters subject to the Dispute. The Parties involved in such Dispute shall seek to resolve the Dispute on an amicable basis within ten (10) Business Days of the notice of such Dispute being received by such other parties subject to such Dispute; the "***Resolution Period***"); provided, that if any Dispute would reasonably be expected to have become moot or otherwise irrelevant if not decided within sixty (60) days after the occurrence of such Dispute, then there shall be no Resolution Period with respect to such Dispute. Any Dispute that is not resolved during the Resolution Period may immediately be referred to and finally resolved by arbitration pursuant to the then-existing Expedited Procedures of the Commercial Arbitration Rules (the "***AAA Procedures***") of the American Arbitration Association (the "***AAA***"). Any Party involved in such Dispute may submit the Dispute to the AAA to commence the proceedings after the Resolution Period. To the extent that the AAA Procedures and this Agreement are in conflict, the terms of this Agreement shall control. The arbitration shall be conducted by one arbitrator nominated by the AAA promptly (but in any event within five (5) Business Days) after the submission of the Dispute to the AAA and reasonably acceptable to each Party subject to the Dispute, which arbitrator shall be a commercial lawyer with substantial experience arbitrating disputes under acquisition agreements. The arbitrator shall accept his or her appointment and begin the arbitration process promptly (but in any event within five (5) Business Days) after his or her nomination and acceptance by the Parties subject to the Dispute. The proceedings shall be streamlined and efficient. The arbitrator shall decide the Dispute in accordance with the substantive law of the State of Delaware. Time is of the essence. Each Party shall submit a proposal for resolution of the Dispute to the arbitrator within twenty (20) days after confirmation of the appointment of the arbitrator. The arbitrator shall have the power to order any Party to do, or to refrain from doing, anything consistent with this Agreement, the Ancillary Documents and applicable Law, including to perform its contractual obligation(s); provided, that the arbitrator shall be limited to ordering pursuant to the foregoing power (and, for the avoidance of doubt, shall order) the relevant Party (or Parties, as applicable) to comply with only one or the other of the proposals. The arbitrator's award shall be in writing and shall include a reasonable explanation of the arbitrator's reason(s) for selecting one or the other proposal. The seat of arbitration shall be in New York County, State of New York, and the language of the arbitration shall be English.

8.10. **Governing Law; Jurisdiction.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada (without giving effect to its choice of law principles). Subject to Section 8.9, for purposes of any Action arising out of or in connection with this Agreement or any transaction contemplated hereby, each Party hereto (a) irrevocably submits to the exclusive jurisdiction and venue of any state or federal court located within New York County, State of New York (or in any court in which appeal from such courts may be taken), (b) agrees that service of any process, summons, notice or document by U.S. registered mail to such party's respective address set forth in Section 8.1 shall be effective service of process for any Action with respect to any matters to which it has submitted to jurisdiction in this Section 8.10, (c) waives and covenants not to assert or plead, by way of motion, as a defense or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of such court, that the Action is brought in an inconvenient forum, that the venue of the Action is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and hereby agrees not to challenge such jurisdiction or venue by reason of any offsets or counterclaims in any such Action, and (d) waives any bond, surety or other security that might be required of any other party with respect thereto. Each Party hereto agrees that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law or in equity.

8.11. **Waiver of Jury Trial.** The parties hereto hereby knowingly, voluntarily and intentionally waive the right any may have to a trial by jury in respect to any litigation based hereon, or arising out of, under, or in connection with this Agreement and any agreement contemplated to be executed in connection herewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party in connection with such agreements, in each case whether now existing or hereafter arising and whether sounding in tort or contract or otherwise. Each party hereto acknowledges that it has been informed by the other parties hereto that this Section 8.11 constitutes a material inducement upon which they are relying and will rely in entering into this Agreement. Any party hereto may file an original counterpart or a copy of this Section 8.11 with any court as written evidence of the consent of each such party to the waiver of its right to trial by jury.

8.12. **Interpretation.** The table of contents and the headings and subheadings of this Agreement are for reference and convenience purposes only and in no way modify, interpret or construe the meaning of specific provisions of the Agreement. In this Agreement, unless the context otherwise requires: (i) whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (ii) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity; (iii) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding or succeeding such term and shall be deemed in each case to be followed by the words "without limitation"; (iv) the words "herein," "hereto," and "hereby" and other words of similar import in this Agreement shall be deemed in each case to refer to this Agreement as a whole and not to any particular Section or other subdivision of this Agreement; (v) the word "if" and other words of similar import when used herein shall be deemed in each case to be followed by the phrase "and only if"; (vi) the term "or" means "and/or"; (vii) reference to "dollars" or "$" shall mean United States Dollars; (viii) reference to any statute includes any rules and regulations promulgated thereunder; (ix) any agreement, instrument, insurance policy, Law or Order defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument, insurance policy, Law or Order as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes, regulations, rules or orders) by succession of comparable successor statutes, regulations, rules or orders and references to all attachments thereto and instruments incorporated therein; and (x) except as otherwise indicated, all references in this Agreement to the words "Section," "Schedule" and "Exhibit" are intended to refer to Sections, Schedules and Exhibits to this Agreement.

8.13. **Specific Performance**. Each Party acknowledges that the rights of each Party to consummate the transactions contemplated hereby are unique, recognizes and affirms that in the event of a breach of this Agreement by any Party, money damages may be inadequate and the non-breaching Parties may have not adequate remedy at law, and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by an applicable Party in accordance with their specific terms or were otherwise breached. Accordingly, each Party shall be entitled to seek an injunction or restraining order to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions hereof, without the requirement to post any bond or other security or to prove that money damages would be inadequate, this being in addition to any other right or remedy to which such Party may be entitled under this Agreement, at law or in equity.

8.14. **Counterparts.** This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. A photocopy, faxed, scanned and/or emailed copy of this Agreement or any Ancillary Document or any signature page to this Agreement or any Ancillary Document, shall have the same validity and enforceability as an originally signed copy.

[Remainder of Page Intentionally Left Blank; Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

Purchaser:

AVALON GLOBOCARE CORP.

By: _____
Name:
Title:

Merger Sub:

AVALON QUANTUM AI, LLC

By: _____
Name:
Title:

The Company:

RPM INTERACTIVE, INC.

By: _____
Name:
Title:

[Signature Page to Merger Agreement]

Exhibit A
Definitions

1. Certain Defined Terms. As used in the Agreement, the following terms shall have the following meanings:

"***Action***" means any notice of noncompliance or violation, or any claim, demand, charge, action, suit, litigation, audit, settlement, complaint, stipulation, assessment or arbitration, or any request (including any request for information), inquiry, hearing, proceeding or investigation, by or before any Governmental Authority.

"***Affiliate***" has the meaning set forth in Rule 12b-2 of the regulations under the Securities Exchange Act of 1934, as amended.

"***Ancillary Documents***" means each agreement, instrument or document attached hereto as an Exhibit, including the Articles of Merger and the other agreements, certificates and instruments to be executed or delivered by any of the parties hereto in connection with or pursuant to this Agreement.

"***Business Day***" means any day that is not a Saturday, Sunday or any other day on which banks are required or authorized by Law to be closed in New York City, New York.

"***Code***" means the Internal Revenue Code of 1986 and any successor statute thereto, as amended. Reference to a specific section of the Code shall include such section, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

"***Company Common Stock***" means the common stock, par value $0.0001 per share, of the Company.

"***Company Preferred Stock***" means the preferred stock, par value $0.0001 per share, of the Company.

"***Company Stock***" means any shares of the Company Common Stock and the Company Preferred Stock.

"***Company Stockholders***" means, collectively, the holders of Company Stock.

"***Confidential Information***" means any information concerning the business and affairs of the Company or Purchaser or its Affiliates that is not generally available to the public, including know-how, trade secrets, customer lists, details of customer or consultant contracts, pricing policies, operational methods and marketing plans or strategies, and any information disclosed to the Company or Purchaser or their respective Affiliates by third parties to the extent that they have an obligation of confidentiality in connection therewith.

"***Contract***" means any contract, agreement, binding arrangement, commitment or understanding, bond, note, indenture, mortgage, debt instrument, license (or any other contract, agreement or binding arrangement concerning Intellectual Property), franchise, lease or other instrument or obligation of any kind, written or oral (including any amendments or other modifications thereto).

"***Copyrights***" means all works of authorship, mask works and all copyrights therein, including all renewals and extensions, copyright registrations and applications for registration and renewal, and non-registered copyrights.

"***Disclosure Schedules***" means the disclosure schedules to this Agreement dated as of the date hereof and forming a part of this Agreement.

"***Enforceability Exceptions***" means bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Fraud Claim***" means any claim based in whole or in part upon fraud, willful misconduct or intentional misrepresentation.

"***GAAP***" means United States generally accepted accounting principles applied on a consistent basis.

"***Governing Documents***" means, with respect to any entity, its certificate of incorporation, certificate of formation or similar charter document and its bylaws, operating agreement or similar governing document.

"***Governmental Authority***" means any federal, state, local, foreign or other governmental, quasi-governmental or administrative body, instrumentality, department or agency or any court, tribunal, administrative hearing body, arbitration panel, commission, or other similar dispute-resolving panel or body. The term "Governmental Authority" includes any Person acting on behalf of a Governmental Authority.

"***Indebtedness***" means, without duplication, (a) the outstanding principal of, and accrued and unpaid interest on, all bank or other third party indebtedness for borrowed money of the Company, including indebtedness under any bank credit agreement and any other related agreements and all obligations of the Company evidenced by notes, debentures, bonds or other similar instruments for the payment of which the Company is responsible or liable, (b) all obligations of the Company for the reimbursement of any obligor on any line or letter of credit, banker's acceptance, guarantee or similar credit transaction, in each case, that has been drawn or claimed against, (c) all obligations of the Company issued or assumed for deferred purchase price payments, (d) all interest rate and currency swaps, caps, collars and similar agreements or hedging devices under which payments are obligated to be made by the Company, whether periodically or upon the happening of a contingency, (e) all obligations of the Company secured by a Lien (other than a Permitted Lien) on any asset of the Company, whether or not such obligation is assumed by the Company, (f) any premiums, prepayment fees or other penalties, fees, costs or expenses associated with payment of any Indebtedness and (g) all obligation described in clauses (a) through (f) above of any other Person which is directly or indirectly guaranteed by the Company or which the Company has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which it has otherwise assured a creditor against loss. In no event shall Indebtedness include trade payables.

"***Intellectual Property***" means all of the following, including any applications to register any of the following, as they exist in any jurisdiction throughout the world: (a) Patents; (b) Trademarks; (c) Copyrights; (d) Trade Secrets; (e) all domain name and domain name registrations, web sites and web pages and related rights, registrations, items and documentation related thereto; (f) Software; (g) rights of publicity and privacy, and moral rights, and (h) all licenses, sublicenses, permissions, and other agreements related to the preceding property.

"***IRS***" means the U.S. Internal Revenue Service or any successor entity.

"***Knowledge***" means: (i) with respect to the Company, the actual knowledge of a particular matter by any executive officer or director of the Company, after reasonable due inquiry; (ii) with respect to any Stockholder shall mean the actual present knowledge of a particular matter by such Stockholder; and (iii) with respect to the Purchaser, the actual present knowledge of a particular matter by any of the executive officers or directors of the Purchaser, after reasonable due inquiry.

"***Law***" means any federal, state, local, municipal, foreign or other law, statute, legislation, principle of common law, ordinance, code, edict, decree, proclamation, treaty, convention, rule, regulation, directive, requirement, writ, injunction, settlement, Permit or Order that is or has been issued, enacted, adopted, passed, approved, promulgated, made, implemented or otherwise put into effect by or under the authority of any Governmental Authority.

"***Liabilities***" means any and all debts, liabilities and obligations of any nature whatsoever, whether accrued or fixed, absolute or contingent, mature or unmatured or determined or determinable, including those arising under any Law, Action, Order or Contract.

"***Lien***" means any interest (including any security interest), pledge, mortgage, lien, encumbrance, charge, claim or other right of third parties, including any spousal interests (community or otherwise), whether created by law or in equity, including any such restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

"***Material Adverse Effect***" means any event, fact, condition, change, circumstance, occurrence or effect, which, either individually or in the aggregate with all other events, facts, conditions, changes, circumstances, occurrences or effects, (a) has had, or would reasonably be expected to have, a material adverse effect on the business, properties, prospects, assets, Liabilities, condition (financial or otherwise), operations, licenses or other franchises or results of operations of the Company, or materially diminish the value of the Company's capital stock or (b) does or would reasonably be expected to materially impair or delay the ability of the Company to perform its obligations under this Agreement and the Ancillary Documents or to consummate the transactions contemplated hereby and thereby; provided, however, that with respect to the Company, a Material Adverse Effect will not include any adverse effect or change resulting from any change, circumstance or effect relating to (A) the economy in general, (B) securities markets, regulatory or political conditions in the United States (including terrorism or the escalation of any war, whether declared or undeclared or other hostilities), (C) changes in applicable Laws or GAAP or the application or interpretation thereof, (D) the industries in which the Company primarily operates and not specifically relating to the Company or (E) a natural disaster (provided, that in the cases of clauses (A) through (E), the Company is not disproportionately affected by such event as compared to other similar companies and businesses in similar industries and geographic regions as the Company).

"***OFAC***" means the Office of Foreign Assets Control of the U.S. Treasury Department.

"***Order***" means any order, writ, rule, judgment, injunction, decree, stipulation, determination or award that is or has been made, entered, rendered or otherwise put into effect by, with or under the authority of any Governmental Authority.

"***Ordinary Course of Business***" means, with respect to a Person, an action taken by such Person if (a) such action is recurring in nature, is consistent with the past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person; (b) such action is not required to be authorized by the equity holders of such Person, the board of directors (or equivalent) of such Person or any committee of the board of directors (or equivalent) of such Person and does not require any other special authorization of any nature; and (c) such action is taken in accordance with sound and prudent business practice. Unless the context or language herein requires otherwise, each reference to Ordinary Course of Business will be deemed to be a reference to Ordinary Course of Business of the Company.

"***Patents***" means all patents, patent applications and the inventions, designs and improvements described and claimed therein, patentable inventions, and other patent rights (including any divisionals, continuations, continuations-in-part, substitutions, or reissues thereof, whether or not patents are issued on any such applications and whether or not any such applications are amended, modified, withdrawn, or refiled).

"***Permit***" means any federal, state, local, foreign or other third-party permit, grant, easement, consent, approval, authorization, exemption, license, franchise, concession, ratification, permission, clearance, confirmation, endorsement, waiver, certification, designation, rating, registration or qualification that is or has been issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or other Person.

"***Permitted Liens***" means any (a) statutory Liens of landlords, carriers, warehousemen, mechanics and materialmen and other similar Liens imposed by Law in the Ordinary Course of Business for sums not yet due and payable; and (b) Liens for current taxes not yet due and payable.

"***Person***" shall include any individual, trust, firm, corporation, limited liability company, partnership, Governmental Authority or other entity or association, whether acting in an individual, fiduciary or any other capacity.

"***Personal Property***" means all of the machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, spare parts, and other tangible personal property which are owned, used or leased by the Company and used or useful, or intended for use, in the conduct or operations of the Company's business.

"***Purchaser Common Stock***" means shares of common stock, par value $0.0001 per share, of the Purchaser.

"***Purchaser Preferred Stock***" means shares of preferred stock, par value $0.0001 per share, of Purchaser.

"***Representative***" means, as to any Person, such Person's Affiliates and its and their managers, directors, officers, employees, agents and advisors (including financial advisors, counsel and accountants).

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

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Software***" means all computer software, including all source code, object code, and documentation related thereto and all software modules, assemblers, applets, compilers, flow charts or diagrams, tools and databases.

"***Subsidiary***" has the meaning set forth in Section 3.1. Unless the context otherwise requires, any reference to a Subsidiary in this Agreement will mean a Subsidiary of the Company.

"***Tax***" means any federal, state, local or foreign income, gross receipts, license, payroll, parking, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, natural resources, customs duties, capital stock, franchise, profits, withholding, social security (or similar), payroll, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated tax, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, including such item for which Liability arises from the application of Treasury Regulation 1.1502-6, as a transferee or successor-in-interest, by contract or otherwise, and any Liability assumed or arising as a result of being, having been, or ceasing to be a member of any Affiliated Group (as defined in Section 1504(a) of the Code) (or being included or required to be included in any Tax Return relating thereto) or as a result of any Tax indemnity, Tax sharing, Tax allocation or similar Contract.

"***Tax Return***" means any return, report, information return, schedule, certificate, statement or other document (including any related or supporting information) filed or required to be filed with a Taxing Authority in connection with any Tax, or, where none is required to be filed with a Taxing Authority, the statement or other document issued by a Taxing Authority in connection with any Tax.

"***Taxing Authority***" means any Governmental Authority responsible for the imposition or collection of any Tax.

"***Trademarks***" means all trademarks, service marks, trade dress, trade names, brand names, Internet domain names, designs, logos, or corporate/company names (including, in each case, the goodwill associated therewith), whether registered or unregistered, and all registrations and applications for registration and renewal thereof.

"***Trade Secrets***" means any trade secrets, confidential business information, concepts, ideas, designs, research or development information, processes, procedures, techniques, technical information, specifications, operating and maintenance manuals, engineering drawings, methods, know-how, data, mask works, discoveries, inventions, modifications, extensions, improvements, and other proprietary rights (whether or not patentable or subject to copyright, trademark, or trade secret protection).

2. Other Defined Terms. The following capitalized terms, as used in the Agreement, have the respective meanings given to them in the Section as set forth below adjacent to such terms:

Term	Section
AAA	8.9
AAA Procedures	8.9
Agreement	Preamble
Articles of Merger	1.2
Balance Sheet Date	3.5(a)
Bank Account	3.21
Company	Preamble
Company Benefit Plans	3.18(a)
Company Certificates	1.09(a)
Company Software	3.11(b)
Company Real Property Leases	3.9
Click Wrapped Software	3.11(b)
Closing	2.1
Closing Date	2.1
D&O Indemnified Party	5.11(a)
D&O Indemnifying Party	5.12(b)
Dispute	8.9
Exchange Agent	1.09(a)
Effective Time	1.2
Expenses	8.2
Financial Statements	3.5(a)
Interim Period	5.1(a)
Letter of Transmittal	1.09(a)
Merger	Recitals
Merger Sub	Preamble
NRS	Recitals
Outside Date	7.1(b)
Owned IP	3.11(a)
Pro Rata Share	1.4
Proxy Statement	5.7(a)
Purchaser	Preamble
Purchaser Intellectual Property	4.14
Purchaser Special Meeting	5.7(a)
Purchaser Material Adverse Effect	4.1
Related Person	3.20
Resolution Period	8.9
SEC Reports	4.5(a)
Stockholder Merger Consideration	1.4
Surviving Entity	1.1
Transmittal Documents	1.10(b)

Exhibit B
Form of Articles of Merger

See Attached

Exhibit C
Series E Certificate of Designation

See Attached

AVALON GLOBOCARE CORP.
CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF
SERIES E NON-VOTING CONVERTIBLE PREFERRED STOCK

PURSUANT TO SECTION 151(G) OF THE DELAWARE GENERAL CORPORATION LAW

The undersigned, Luisa Ingargiola, does hereby certify that:

1. The undersigned is the Chief Financial Officer of Avalon GloboCare Corp., a Delaware corporation (the "Corporation").

2. The Corporation is authorized to issue 10,000,000 shares of preferred stock, $0.0001 par value per share.

3. On December 12, 2025, the following resolutions were duly adopted by the board of directors of the Corporation (the "Board of Directors"):

WHEREAS, the Corporation's Amended and Restated Certificate of Incorporation, authorizes the issuance of 10,000,000 shares of undesignated preferred stock, $0.0001 par value per share, issuable from time to time in one or more series;

WHEREAS, the Board of Directors is authorized to divide the preferred stock into any number of series, fix the designation and number of each such series, and determine or change the designation, relative rights (including voting powers), preferences and limitations of any series of preferred stock; and

WHEREAS, it is the desire of the Board of Directors, pursuant to its authority as aforesaid, to fix the designation and number of a series of the preferred stock and to determine the designation, relative rights (including voting powers), preferences and limitations thereof, which shall consist of 19,500 shares of the preferred stock which the Corporation has the authority to issue, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby provide for the issuance of a series of preferred stock for cash or exchange of other securities, rights or property and does hereby fix and determine the powers, designations, rights, preferences, restrictions and other matters relating to such series of preferred stock as follows:

TERMS OF PREFERRED STOCK

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

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 of the Securities Act.

"Alternate Consideration" shall have the meaning set forth in Section 7(d).

"Beneficial Ownership Limitation" shall have the meaning set forth in Section 6(d).

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non- essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

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

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

"Common Stock Equivalents" means any securities of the Corporation or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Conversion Amount" means the number of shares of Preferred Stock being converted multiplied by the Stated Value at issue.

"Conversion Date" shall have the meaning set forth in Section 6(a).

"Conversion Price" shall have the meaning set forth in Section 6(b).

"Conversion Shares" means, collectively, (i) the shares of Common Stock issuable upon conversion of the shares of Preferred Stock in accordance with the terms hereof and (ii) any capital stock or other securities into which such shares of Common Stock are changed and any capital stock or other securities resulting from or compromising a reclassification, combination or subdivision of, or a stock dividend on, any such shares of Common Stock.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Fundamental Transaction" shall have the meaning set forth in Section 7(d).

"Holder" shall have the meaning given such term in Section 2.

"Liquidation" shall have the meaning set forth in Section 5.

"Notice of Conversion" shall have the meaning set forth in Section 6(a).

"Original Issue Date" means the date of the first issuance of any shares of the Preferred Stock regardless of the number of transfers of any particular shares of Preferred Stock and regardless of the number of certificates, if any, which may be issued to evidence such Preferred Stock.

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

"Preferred Stock" shall have the meaning set forth in Section 2.

"Merger Agreement" means the Agreement and Plan of Merger dated as of December 12, 2025 by and among the Corporation, RPM Interactive, Inc., a Nevada corporation, and Avalon Quantum AI, LLC, a Nevada limited liability company and wholly owned subsidiary of the Corporation ("Merger Sub"),

"Securities" means the Preferred Stock and the Underlying Shares.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Series C Preferred Stock" shall have the meaning set forth in Section 2.

"Series D Preferred Stock" shall have the meaning set forth in Section 2.

"Share Delivery Date" shall have the meaning set forth in Section 6(c).

"Stated Value" shall have the meaning set forth in Section 2.

"Stockholder Approval" means the approval of the issuance of the Conversion Shares in excess of the Exchange Cap (as defined in Section 6(d)(ii) pursuant to the rules of the Nasdaq Stock Market.

"Successor Entity" shall have the meaning set forth in Section 7(d).

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

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

"Transfer Agent" means VStock Transfer, LLC, the current transfer agent of the Corporation and any successor transfer agent of the Corporation.

"Underlying Shares" means the shares of Common Stock issued and issuable upon conversion of the Preferred Stock.

Section 2. Designation, Amount, Par Value and Subordination. The series of preferred stock shall be designated as Series E Non-Voting Convertible Preferred Stock (the "Preferred Stock") and the number of shares so designated shall be 19,500 (which shall not be subject to increase without the written consent of the holders of a majority of the then outstanding shares of the Preferred Stock voting as a separate class (each, a "Holder" and collectively, the "Holders"). Each share of Preferred Stock shall have a par value of $0.0001 per share and a stated value equal to $1,000 (the "Stated Value"). The Preferred Stock shall rank (i) senior to the Common Stock and any other class or series of capital stock of the Corporation hereafter created, the terms of which specifically provide that such class or series shall rank junior to the Preferred Stock, (ii) *pari passu* with any class or series of capital stock of the Corporation hereafter created specifically ranking, by its terms, on par with the Preferred Stock, (iii) *pari passu* with Series C Convertible Preferred Stock of the Corporation (the "Series C Preferred Stock") with respect to its rights, preferences and restrictions, and (iv) *pari passu* with the Series D Convertible Preferred Stock of the Corporation (the "Series D Preferred Stock"). Sectopm

Section 3. Dividends. Except for stock dividends or distributions for which adjustments are to be made pursuant to Section 7, from and after the first date of issuance of any Preferred Stock (the "Initial Issuance Date"), Holders shall be entitled to receive, and the Corporation shall pay, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis, disregarding for such purpose any conversion limitations hereunder) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock. The Corporation shall not pay any dividends on the Common Stock unless the Corporation simultaneously complies with this provision.

Section 4. Voting Rights. The Holders of Preferred Stock have no voting power except as otherwise required by the Delaware General Corporation Law. Notwithstanding the foregoing, in addition, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, voting as a separate class, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock in this Certificate of Designation, (b) increase the number of authorized shares of Preferred Stock, (c) authorize or issue an additional class or series of capital stock that ranks senior to the Preferred Stock with respect to the distribution of assets on liquidation, or (d) enter into any agreement with respect to any of the foregoing.

Section 5. Liquidation. Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary (a "Liquidation"), the Holders shall be entitled to receive out of the assets available for distribution to stockholders, (i) after and subject to the payment in full of all amounts required to be distributed to the holders of another class or series of stock of the Corporation ranking on liquidation prior and in preference to the Preferred Stock, (ii) ratably with any class or series of stock ranking on liquidation on parity with the Preferred Stock and (iii) in preference and priority to the holders of the shares of Common Stock, an amount equal to the greater of: (i) 100% of the Stated Value and no more, in proportion to the full and preferential amount that all shares of the Preferred Stock are entitled to receive or (ii) such amount per share as would have been payable had all shares of Preferred Stock been converted into Common Stock (without regard to any limitations on conversion set forth herein or otherwise) pursuant to Section 6 immediately prior to such Liquidation.. The Corporation shall mail written notice of any such Liquidation not less than 20 days prior to the payment date stated therein, to each Holder.

Section 6. Conversion.

a) Conversions at Option of Holder. Each share of Preferred Stock shall be convertible, at any time from and after May 12, 2026, or such earlier time as consented to by the Company in writing, at the option of the Holder thereof, into that number of shares of Common Stock (subject to the limitations set forth in Section 6(d)) determined by dividing the Stated Value of such share of Preferred Stock by the Conversion Price (as defined below). Holders shall effect conversions by providing the Corporation with the form of conversion notice attached hereto as Annex A (a "Notice of Conversion"). Each Notice of Conversion shall specify the number of shares of Preferred Stock to be converted, the number of shares of Preferred Stock owned prior to the conversion at issue, the number of shares of Preferred Stock owned subsequent to the conversion at issue and the date on which such conversion is to be effected, which date may not be prior to the date the applicable Holder delivers by email such Notice of Conversion to the Corporation (such date, the "Conversion Date"). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion to the Corporation is deemed delivered hereunder. No ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required. The calculations and entries set forth in the Notice of Conversion shall control in the absence of manifest or mathematical error. From and after the Conversion Date, until presented for transfer or exchange, certificates that previously represented shares of Preferred Stock, if any, shall represent, in lieu of the number of shares of Preferred Stock previously represented by such certificate, the number of shares of Preferred Stock, if any, previously represented by such certificate that were not converted pursuant to the Notice of Conversion, plus the number of shares of Conversion Shares into which the shares of Preferred Stock previously represented by such certificate were converted. To effect conversions of shares of Preferred Stock, a Holder shall not be required to surrender the certificate(s), if any, representing the shares of Preferred Stock to the Corporation unless all of the shares of Preferred Stock represented thereby are so converted, in which case such Holder shall deliver the certificate, if any, representing such shares of Preferred Stock promptly following the Conversion Date at issue. Shares of Preferred Stock converted into Common Stock in accordance with the terms hereof shall be canceled and shall not be reissued as shares of Preferred Stock and shall automatically and without further action by the Corporation be retired and restored to the status of authorized but unissued shares of preferred stock of the Corporation.

b) Conversion Price. The conversion price for the Preferred Stock shall equal $1.50 per share, subject to adjustment herein (the "Conversion Price").

c) Mechanics of Conversion

i. Delivery of Conversion Shares Upon Conversion. Not later than the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) after each Conversion Date (the "Share Delivery Date"), the Corporation shall deliver, or cause to be delivered, to the converting Holder the number of Conversion Shares being acquired upon the conversion of the Preferred Stock. As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Corporation's primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Conversion.

ii. Failure to Deliver Conversion Shares. If, in the case of any Notice of Conversion, such Conversion Shares are not delivered to or as directed by the applicable Holder by the Share Delivery Date, the Holder shall, to the fullest extent permitted by law, be entitled to elect by written notice to the Corporation at any time on or before its receipt of such Conversion Shares, to rescind such Conversion, in which event the Corporation shall promptly return to the Holder any original Preferred Stock certificate delivered to the Corporation and the Holder shall promptly return to the Corporation the Conversion Shares issued to such Holder pursuant to the rescinded Notice of Conversion.

iii. Obligation Absolute. The Corporation's obligation to issue and deliver the Conversion Shares upon conversion of Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by such Holder or any other person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to such Holder in connection with the issuance of such Conversion Shares; provided, however, that such delivery shall not operate as a waiver by the Corporation of any such action that the Corporation may have against such Holder.

iv. Reservation of Shares Issuable Upon Conversion. The Corporation covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of the Preferred Stock as herein provided, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holder (and the other holders of the Preferred Stock), not less than such aggregate number of shares of the Common Stock as shall be issuable (taking into account the adjustments and restrictions of Section 7) upon the conversion of the then outstanding shares of Preferred Stock into Common Stock. The Corporation covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable and free and clear of all liens and other encumbrances.

v. Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the conversion of the Preferred Stock. As to any fraction of a share of Common Stock which the Holder would otherwise be entitled to upon such conversion, the Corporation shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Conversion Price or round up to the next whole share. Notwithstanding anything to the contrary contained herein, but consistent with the provisions of this subsection with respect to fractional Conversion Shares, nothing shall prevent any Holder from converting fractional shares of Preferred Stock.

vi. Transfer Taxes and Expenses. The issuance of Conversion Shares on conversion of the Preferred Stock shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Conversion Shares, provided that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such Conversion Shares upon conversion in a name other than that of the Holder of such shares of Preferred Stock and the Corporation shall not be required to issue or deliver such Conversion Shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

d) Beneficial Ownership Limitations.

i. Beneficial Ownership. Notwithstanding anything to the contrary set forth herein, the Corporation shall not effect any conversion of the Preferred Stock, and a Holder shall not have the right to convert any portion of the Preferred Stock, if after giving effect to the conversion set forth on the applicable Notice of Conversion, such Holder (together with such Holder's Affiliates, and any Persons acting as a group together with such Holder or any of such Holder's Affiliates (such Persons, "Attribution Parties")) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of the Preferred Stock with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Preferred Stock beneficially owned by such Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation subject to a limitation on conversion or exercise analogous to the limitation contained herein (including, without limitation, the Preferred Stock) beneficially owned by such Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 6(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 6(d) applies, the determination of whether the Preferred Stock is convertible (in relation to other securities owned by such Holder together with any Affiliates and Attribution Parties) and of how many shares of Preferred Stock are convertible shall be in the sole discretion of such Holder, and the submission of a Notice of Conversion shall be deemed to be such Holder's determination of whether the shares of Preferred Stock may be converted (in relation to other securities owned by such Holder together with any Affiliates and Attribution Parties) and how many shares of the Preferred Stock are convertible, in each case subject to the Beneficial Ownership Limitation. To ensure compliance with this restriction, each Holder will be deemed to represent to the Corporation each time it delivers a Notice of Conversion that such Notice of Conversion has not violated the restrictions set forth in this paragraph and the Corporation shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. The Holder understands and acknowledges that the Corporation is not representing to the Holder that the calculations and determinations set forth in this Section 6(d) are in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. For purposes of this Section 6(d), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Corporation's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Corporation or (iii) a more recent written notice by the Corporation or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request (which may be via email) of a Holder, the Corporation shall within one Trading Day confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation, including the Preferred Stock, by such Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder. The Beneficial Ownership Limitation shall not be waived by the Corporation or the Holder. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 6(d) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of Preferred Stock.

(ii) Principal Market Regulation. The Company shall not issue any shares of Common Stock upon conversion of any Preferred Stock or otherwise pursuant to the terms of this Series E Certificate of Designation if the issuance of such shares of Common Stock would exceed the aggregate number of shares of Common Stock which the Company may issue upon exercise or conversion (as the case may be) of the Preferred Stock without breaching the Company's obligations under the rules and regulations the listing rules of the Principal Market (the maximum number of shares of Common Stock which may be issued without violating such rules and regulations, the "Exchange Cap"), except that such limitation shall not apply in the event that the Company (A) obtains the approval of its stockholders as required by the applicable rules and regulations of the Principal Market for issuances of shares of Common Stock in excess of such amount (the "Stockholder Approval Date") or (B) obtains a written opinion from outside counsel to the Company that such approval is not required, which opinion shall be reasonably satisfactory to the Required Holders. Until such approval or such written opinion is obtained, no Holder shall be issued in the aggregate, upon conversion or exercise (as the case may be) of any Preferred Stock, shares of Common Stock in an amount greater than the product of (i) the Exchange Cap as of the Initial Issuance Date multiplied by (ii) the quotient of (1) the aggregate number of Preferred Stock issued to such Holder on the Initial Issuance Date divided by (2) the aggregate number of shares of Preferred Stock outstanding as of the Initial Issuance Date (with respect to each Holder, the "Exchange Cap Allocation"). In the event that any Holder shall sell or otherwise transfer any of such Holder's Preferred Stock, the transferee shall be allocated a pro rata portion of such Holder's Exchange Cap Allocation with respect to such portion of such Preferred Stock so transferred, and the restrictions of the prior sentence shall apply to such transferee with respect to the portion of the Exchange Cap Allocation so allocated to such transferee. Upon conversion in full of a Holder's Preferred Stock, the difference (if any) between such Holder's Exchange Cap Allocation and the number of shares of Common Stock actually issued to such Holder upon such Holder's conversion in full of such Preferred Stock shall be allocated, to the respective Exchange Cap Allocations of the remaining holders of Preferred Stock on a pro rata basis in proportion to the shares of Common Stock underlying the shares of preferred stock of the Company then held by each such holder of Preferred Shares and/or Parity Stock, as applicable.

Section 7. Certain Adjustments.

a) Stock Dividends and Stock Splits. If the Corporation, at any time while the Preferred Stock is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock or any other Common Stock Equivalents (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation upon conversion of, or payment of a dividend on, the Preferred Stock), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues, in the event of a reclassification of shares of the Common Stock, any shares of capital stock of the Corporation, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Corporation) outstanding immediately before such event, and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Rights Offering. In addition to any adjustments pursuant to Section 7(a) above, if the Corporation grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "Purchase Rights"), then each Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of such Holder's Preferred Stock (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that, prior to the date of the Stockholder Approval, the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

c) Pro Rata Distributions. During such time as the Preferred Stock is outstanding, if the Corporation declares or makes any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction (other than any dividend or distribution as to which an adjustment was effected pursuant to Section 7(a)) (a "Distribution"), then, in each such case, each Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of the Preferred Stock (without regard to any limitations on conversion hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d) Fundamental Transaction. If, at any time while the Preferred Stock is outstanding, (i) the Corporation, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Corporation with or into another Person, (ii) the Corporation (and all of its Subsidiaries, taken as a whole), directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Corporation or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Corporation, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Corporation, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, at the closing of such Fundamental Transaction, without any action on the part of the Holder, the Holder shall have the right to receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction (without regard to any limitation in Section 6(d) on the conversion of the Preferred Stock), the number of shares of Common Stock of the successor or acquiring corporation or of the Corporation, if it is the surviving corporation, or other consideration (the "Alternate Conversion Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which the Preferred Stock is convertible immediately prior to such Fundamental Transaction (without regard to any limitation in Section 6(d) on the conversion of the Preferred Stock). For purposes of any such conversion, the determination of the Conversion Price shall be appropriately adjusted to reflect the relative value or benefits of any different components of the Alternate Conversion Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Conversion Consideration. For avoidance of doubt, if the Conversion Price at the time of conversion is already adjusted to reflect the value or benefits of the Alternative Conversion Consideration, then no additional value or benefits shall be allocated to the Conversion Shares issued or issuable upon the conversion.

e) Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

f) Notice to the Holders.

i. Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 7, the Corporation shall promptly deliver to each Holder by email a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the adjustment required to be specified in such notice.

ii. Notice to Allow Conversion by Holder. If (A) the Corporation shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Corporation shall declare a special nonrecurring cash dividend on the Common Stock or shall repurchase the Common Stock, (C) the Corporation shall authorize the granting to all holders of the Common Stock in their capacities as such rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Corporation shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Corporation is a party, any sale or transfer of all or substantially all of the assets of the Corporation (and all of its Subsidiaries, taken as a whole), or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property or (E) the Corporation shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation, then, in each case, the Corporation shall email to each Holder at its last email address as it shall appear upon the stock ledger of the Corporation, at least ten (10) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder shall remain entitled to convert its Preferred Stock (or any part hereof) during the 10-day period commencing on the date of such notice through the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 8. Covenants.

a) Notices. Restriction on Transfer of Assets. Prior to the date of the Stockholder Approval, the Corporation shall not, and the Corporation shall cause each of its Subsidiaries to not, directly or indirectly, sell, lease, license, assign, transfer, spin-off, split-off, close, convey or otherwise dispose of all or substantially all of its assets or rights of the Corporation or any Subsidiary owned or hereafter acquired whether in a single transaction or a series of related transactions, other than (i) sales, leases, licenses, assignments, transfers, conveyances and other dispositions of such assets or rights by the Corporation and its Subsidiaries in the ordinary course of business consistent with its past practice and (ii) sales of inventory and product in the ordinary course of business.

b) Change in Nature of Business. Prior to the date of the Stockholder Approval, the Corporation shall not, and the Corporation shall cause each of its Subsidiaries to not, directly or indirectly, engage in any material line of business substantially different from those lines of business conducted by or publicly contemplated to be conducted by the Corporation and each of its Subsidiaries, as applicable, on the or any business substantially related or incidental thereto.

c) Proposal to Remove Exchange Cap. Prior to receipt of the Stockholder Approval, the Company agrees to include a proposal to remove the Exchange Cap on any proxy statement sent to the Company stockholders to approve a Fundamental Transaction whereby approval of the Fundamental Transaction proposal is conditioned on approval of the proposal to remove the Exchange Cap.

Section 9. Miscellaneous.

a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Conversion, shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service, addressed to the Corporation, 4400 Route 9 South, Suite 3100, Freehold, New Jersey 07728, Attention: Chief Financial Officer, or such other e-mail address or address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section 9. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally, by e-mail, or sent by a nationally recognized overnight courier service addressed to each Holder at the e-mail address or address of such Holder appearing on the books of the Corporation. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time of transmission, if such notice or communication is delivered via e-mail at the e-mail address set forth in this Section 9 prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the time of transmission, if such notice or communication is delivered via e-mail to luisa@avalon-globocare.com on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (iii) the second Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

b) Lost or Mutilated Preferred Stock Certificate. If a Holder's Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, uncertificated shares or a new certificate for the shares of Preferred Stock represented by the certificate so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof reasonably satisfactory to the Corporation (which shall not include the requirement of posting of any bond).

c) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Certificate of Designation shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflict of laws thereof.

d) Waiver. Any waiver by the Corporation or a Holder of any provision of this Certificate of Designation or any breach thereof shall not operate as or be construed to be a waiver of any other provision of this Certificate of Designation or any breach thereof or a waiver by any other Holders. The failure of the Corporation or a Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation on any other occasion. Any waiver by the Corporation or a Holder must be in writing.

e) Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

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

g) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof.

h) Status of Converted or Preferred Stock. Shares of Preferred Stock may only be issued pursuant to the Merger Agreement. If any shares of Preferred Stock shall be converted or reacquired by the Corporation, such shares may not be reissued as Preferred Stock and shall automatically be retired and shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Preferred Stock.

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IN WITNESS WHEREOF, Avalon GloboCare Corp. has caused this Certificate of Designations to be signed by a duly authorized officer on this 12th day of December 2025.

By: _____
Name: Luisa Ingargiola
Title: Chief Financial Officer

[Signature page to Series E Certificate of Designation]

ANNEX A

NOTICE OF CONVERSION
(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF PREFERRED STOCK)

The undersigned hereby elects to convert the number of shares of Series E Convertible Preferred Stock indicated below into shares of Common Stock, par value $0.0001 per share (the "Common Stock"), of Avalon GloboCare Corp., a Delaware corporation (the "Corporation"), according to the conditions hereof, as of the date written below. If shares of Common Stock are to be issued in the name of a Person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as may be required by the Corporation in accordance with the Merger Agreement. No fee will be charged to the Holders for any conversion, except for any such transfer taxes.

Conversion calculations:

Date to Effect Conversion:

Number of shares of Preferred Stock owned prior to Conversion:

Number of shares of Preferred Stock to be Converted:

Stated Value of shares of Preferred Stock to be Converted:

Number of shares of Common Stock to be Issued:

Applicable Conversion Price:

Number of shares of Preferred Stock subsequent to Conversion:

Address for Delivery:

or

DWAC Instructions:

Broker no:

Account no:

[HOLDER]
By:
Name:
Title:

Exhibit 10.1

UNSECURED BRIDGE NOTE

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

Original Issue Date: December 11, 2025 Principal Amount: $375,000

Maturity Date: Apri 15, 2026

AVALON GLOBOCARE CORP.

UNSECURED BRIDGE NOTE

THIS UNSECURED BRIDGE NOTE is a validly issued promissory notes of Avalon Globocare Corp., a Delaware corporation (the "**Company**"), designated a unsecured promissory notes (the "**Note**").

FOR VALUE RECEIVED, the Company promises to pay to Allen O Cage Jr or its registered assigns ("**Holder**") the principal sum of $375,000.00 (the "**Principal Amount**"), reflecting an original issue discount of twenty percent (20%), on the Maturity Date specified above (the "**Maturity Date**") or at such earlier dates as this Note is required or permitted to be repaid as provided hereunder. This Note is issued with original issue discount of twenty percent (20%). The Holder is funding US $300,000.00 on the Issue Date, which is less than the Principal Amount. This Note shall not bear interest and is subject to the following additional provisions:

Section 1. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Note: (a) capitalized terms not otherwise defined herein shall have the meanings set forth in the Securities Purchase Agreement entered into by and among the Company and the Holder, dated December 11, 2025 (the "**Purchase Agreement**"), and (b) the following terms shall have the following meanings:

"Alternate Consideration" shall have the meaning set forth in Section 5(j).

"Bankruptcy Event" means any of the following events: (a) the Company or any Significant Subsidiary (as such term is defined in Rule 1-02(w) of Regulation S-X) thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company or any Significant Subsidiary thereof, (b) there is commenced against the Company or any Significant Subsidiary thereof any such case or proceeding that is not dismissed within 60 days after commencement, (c) the Company or any Significant Subsidiary thereof is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered, (d) the Company or any Significant Subsidiary thereof suffers any appointment of any custodian or the like for it or any substantial part of its property that is not discharged or stayed within 60 calendar days after such appointment, (e) the Company or any Significant Subsidiary thereof makes a general assignment for the benefit of creditors, (f) the Company or any Significant Subsidiary thereof calls a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts, (g) the Company or any Significant Subsidiary thereof admits in writing that it is generally unable to pay its debts as they become due, (h) the Company or any Significant Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing or takes any corporate or other action for the purpose of effecting any of the foregoing.

"Beneficial Ownership Limitation" shall have the meaning set forth in Section 4(c)

"Business Day" means any day except Saturday, Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Change of Control Transaction" means the occurrence after the date hereof of any of: (a) an acquisition after the date hereof by an individual or legal entity or "group" (as described in Rule 13d-5(b)(1) promulgated under the Exchange Act) of effective control (whether through legal or beneficial ownership of capital stock of the Company, by contract or otherwise) of in excess of 50% of the voting securities of the Company (other than by means of conversion of the Note), (b) the Company merges into or consolidates with any other Person, or any Person merges into or consolidates with the Company and, after giving effect to such transaction, the stockholders of the Company immediately prior to such transaction own less than 50% of the aggregate voting power of the Company or the successor entity of such transaction, (c) the Company sells or transfers all or substantially all of its assets to another Person and the stockholders of the Company immediately prior to such transaction own less than 50% of the aggregate voting power of the acquiring entity immediately after the transaction, (d) a replacement at one time or within a three year period of more than one-half of the members of the Board of Directors which is not approved by a majority of those individuals who are members of the Board of Directors on the Original Issue Date (or by those individuals who are serving as members of the Board of Directors on any date whose nomination to the Board of Directors was approved by a majority of the members of the Board of Directors who are members on the date hereof), or (e) the execution by the Company of an agreement to which the Company is a party or by which it is bound, providing for any of the events set forth in clauses (a) through (d) above.

"Conversion" means a conversion of this Note pursuant to Section 4.

"Conversion Date" means the date of any Conversion upon the occurrence of any Event of Default in accordance with the terms of this Note.

"Conversion Price" means, as of any Conversion Date or the other date of determination (i) fifty percent (50%) of the volume weighted average price of the Common Stock on the Trading Market for the five days immediately preceding a Conversion Date; provided that in no even may the Conversion Price be lower than the Floor Price.

"Default Amount" means any amount set forth in Section 2(i), (ii) or (iii), the repayment of which the Company is in default.

"Event of Default" shall have the meaning set forth in Section 7(a).

"Floor Price" means eighty percent (80%) of the Minimum Price (as such term is defined by the rules and regulations of the Nasdaq Stock Market LLC, Rule 5635(d)(1)(A) (or such lower amount as permitted, from time to time, by the Principal Market, subject to downward adjustments for share splits, share dividends, share combinations, recapitalizations or other similar events (for the avoidance of doubt, share splits, share dividends, share combinations, recapitalizations or other similar events shall not cause an adjustment to increase the floor price), measured from the Effective Date of the Purchase Agreement.

"Fundamental Transaction" shall have the meaning set forth in Section 5(j).

"Indebtedness" means any liabilities of the Company for borrowed money or amounts owed and all guaranties made by the Company of borrowed money or amounts owed by others.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

"New York Courts" shall have the meaning set forth in Section 8(e).

"Note Register" shall have the meaning set forth in Section 2.

"Original Issue Date" means the date of the issuance of this Note, regardless of any transfers of any Note and regardless of the number of instruments which may be issued to evidence such Notes.

"Permitted Liens" means (i) Liens disclosed in the SEC Reports that do not materially and adversely (x) affect the value of such property or (y) interfere with the use made and proposed to be made of such property by the Company and its Subsidiaries and (ii) liens for the payment of federal, state or other taxes, the payment of which is neither delinquent nor subject to penalties in any material respect.

"Purchase Agreement" means the Securities Purchase Agreement, dated as of December [*], 2025 by and among the Company and the original Holder, as amended, modified, or supplemented from time to time in accordance with its terms.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Share Delivery Date" shall have the meaning set forth in Section 4(b)(ii).

"Shareholder Approval" means such approval as is required by the applicable rules and regulations of the Nasdaq Stock Market (or any successor entity) from the shareholders of the Company with respect to the issuance of all of the shares of Common Stock issuable or potentially issuable in the future upon conversion of this Note.

"Successor Entity" shall have the meaning set forth in Section 5(j).

"Trading Day" means any day on which the principal Trading Market is open for trading or quoting.

"Trading Market" means any of the following markets or exchanges on which the Common Shares are listed or quoted for trading on the date in question, the Nasdaq Stock Market LLC (or any successor thereto).

Section 2. Payment and Prepayment. The Company shall repay the Principal Amount of this Note as follows (i) the Company shall pay the Holder the amount of one hundred twenty five thousand dollars ($125,000.00) on or before February 15, 2026; (ii) the Company shall pay the Holder the amount of one hundred twenty five thousand dollars ($125,000.00) on or before March 15, 2026; and (iii) the Company shall pay the Holder the amount of one hundred twenty five thousand dollars ($125,000.00) on or before April 15, 2026. The Company may prepay this Note in full at any time after the Original Issue Date without penalty.

Section 3. Registration of Transfers and Exchanges.

(a) Different Denominations. This Note is exchangeable for an equal aggregate Principal Amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be payable for such registration of transfer or exchange.

(b) Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in the Purchase Agreement and may be transferred or exchanged only in compliance with the Purchase Agreement and applicable federal and state securities laws and regulations.

(c) Reliance on Note Register. Prior to due presentment for transfer to the Company of this Note, the Company and any agent of the Company may treat the Person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue, and neither the Company nor any such agent shall be affected by notice to the contrary.

Section 4. Conversion.

(a) Conversion. Subject to the applicable sections of the Purchase Agreement, on any date while this Note is outstanding on which an Event of Default shall have occurred, the Holder shall have the right, at the Holder's option, to convert the Default Amount of this Note at the Conversion Price, in whole or in part, into shares of the Company's Common Stock by following the mechanics of conversion set forth in Section 4(b) provided that in no event shall the Conversion Price be less than the Floor Price.

(b) Mechanics of Conversion.

(i) Conversion Notice. Holder may, upon the occurrence of an Event of Default, be permitted to convert all or any portion of the Default Amount into shares of the Company's Common Stock at the Conversion Price, by delivering to the Company: (A) written notice of its election to convert this Note pursuant to this Section 4, including the Conversion Amount, and (B) in the case of a Conversion of the entire remaining Principal Amount of this Note, the original Note instrument (or a notice to the effect that such original Note has been lost, stolen or destroyed). For the avoidance of doubt, any Conversion Notice provided hereunder shall comply with the Floor Price limitation set forth in Section 4(a).

(ii) Delivery of Conversion Shares Upon Conversion. Not later than two (2) Trading Days after the Conversion Date (the "**Share Delivery Date**"), the Company shall deliver, or cause to be delivered, to the Holder the Conversion Shares. The Conversion Shares shall be calculated using the Conversion Price, unless the Conversion Price is below the Floor Price, in which case, the Floor Price would be used.

(iii) Failure to Deliver Conversion Shares. If, in the case of any Conversion, the Conversion Shares are not delivered to or as directed by the applicable Holder by the Share Delivery Date, the Holder shall be entitled to elect by written notice to the Company at any time on or before its receipt of such Conversion Shares to rescind the Conversion, in which event the Company shall promptly return to the Holder any original Note delivered to the Company and the Holder shall promptly return to the Company the Conversion Shares (if any) issued to such Holder pursuant to the rescinded Conversion Notice.

(iv) [Reserved].

(v) [Reserved].

(vi) Reservation of Shares Issuable Upon Conversion. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued Common Stock a sufficient number of shares of Common Stock for the sole purpose of issuance upon Conversion, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holder (and the other holders of the Notes). The Company covenants that all Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable.

(vii) Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the conversion of this Note. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such conversion, the Company shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Conversion Price or round up to the next whole share.

(viii) Transfer Taxes and Expenses. The issuance of Conversion Shares on conversion of this Note shall be made without charge to the Holder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such Conversion Shares, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such Conversion Shares upon conversion in a name other than that of the Holder of this Note so converted and the Company shall not be required to issue or deliver such Conversion Shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid. The Company shall pay all transfer agent fees required for same-day processing of any conversion and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Conversion Shares. The Company shall pay all attorney fees required for the issuance of attorney legal opinions for removal of restrictive legends on Conversion Shares.

(c) Holder's Conversion Limitations.

(i) The Company shall not affect any conversion of this Note, and a Holder shall not have the right to convert any portion of this Note, to the extent that after giving effect to the conversion, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "**Attribution Parties**")) would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of this Note with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon: (i) conversion of the remaining, unconverted Conversion Amount of this Note beneficially owned by the Holder or any of its Affiliates or Attribution Parties, and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein (including, without limitation, any other notes, warrants, or other convertible securities) beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 4(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. To the extent that the limitation contained in this Section 4(c) applies, the determination of whether this Note is convertible (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which Conversion Amount of this Note is convertible shall be in the sole discretion of the Holder. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4(c), in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company, or (C) a more recent written notice by the Company or the Company's Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of the Holder, the Company shall within one Trading Day confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Note, by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "**Beneficial Ownership Limitation**" shall be 4.99% of the number of shares of the Common Shares outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of this Note held by the Holder. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(c), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of Common Stock upon conversion of this Note held by the Holder and the Beneficial Ownership Limitation provisions of this Section 4(c) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The Beneficial Ownership Limitation provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(c) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation contained herein or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Note.

(ii) Notwithstanding anything to the contrary contained in this Note, Company and Holder agree that the total cumulative number of shares of Common Stock issuable to Holder hereunder together with all other Transaction Documents may not exceed the requirements of Nasdaq Listing Rule 5635(d) the ("**Nasdaq 19.99% Cap**"), without Shareholder Approval. If the number of shares of Common Stock issued to Holder reaches the Nasdaq 19.99% Cap, so as not to violate the 20% limit established in Listing Rule 5635(d), the Company will use reasonable commercial efforts to obtain Stockholder Approval of the Note and the issuance of additional shares of Common Stock issuable upon the conversion of additional portions of this Note, if necessary, in accordance with the requirements of Nasdaq Listing Rule 5635(d). If the Company is unable to obtain such Approval, any remaining outstanding balance of this Note must be repaid in cash.

Section 5. Certain Adjustments.

(a) Change in Price or Rate of Conversion. If the Company takes a record of the holders of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in shares of Common Stock or in Common Stock Equivalents or (B) to subscribe for or purchase shares of Common Stock or Common Stock Equivalents, then such record date will be deemed to be the date of the issuance or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase (as the case may be).

(b) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 5(a) above, if at any time while this Note is outstanding on or after the date of the occurrence (if any) of an Event of Default, the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property *pro rata* to the record holders of any class of the Company's equity securities (the "**Purchase Rights**"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of the Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, that, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(c) Pro Rata Distributions. During such time as this Note is outstanding on or after the date of the occurrence (if any) of an Event of Default, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "**Distribution**"), at any time after the issuance of this Note, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the participation in such Distribution (provided, however, that, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any Common Shares as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(d) Fundamental Transaction. If, at any time while this Note is outstanding on or after the date of the occurrence of an uncured Event of Default: (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which, at any time while this Note is outstanding on or after the date of the occurrence (if any) of an Event of Default, holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the shares of Common Stock are effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, merger or scheme of arrangement) with another Person whereby such other Person acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "**Fundamental Transaction**"), then, upon any subsequent conversion of this Note, the Holder shall have the right to receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction (without regard to any limitation in Section 4(c) on the conversion of this Note), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "**Alternate Consideration**") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Note is convertible, if any, immediately prior to such Fundamental Transaction (without regard to any limitation in Section 4(c) on the conversion of this Note). For purposes of any such conversion, the determination of the Conversion Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one (1) share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Conversion Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any conversion of this Note following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "**Successor Entity**") to assume in writing all of the obligations of the Company under this Note and the other Transaction Documents (as defined in the Purchase Agreement) in accordance with the provisions of this Section 5(j) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the holder of this Note, deliver to the Holder in exchange for this Note a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Note which is convertible for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon conversion of this Note (without regard to any limitations on the conversion of this Note) prior to such Fundamental Transaction, and with a conversion price which applies the conversion price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such conversion price being for the purpose of protecting the economic value of this Note immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Note and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Note and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein.

(e) Calculations. All calculations under this Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 5, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Company) issued and outstanding.

Section 6. [Reserved].

Section 7. Events of Default.

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

(i) any default in the repayment of this Note Pursuant to Section 2;

(ii) the Company's listing on its current Trading Market shall have been terminated or suspended;

(iii) the Company shall fail to observe or perform any other covenant or agreement contained in the Note or in any Transaction Document, which failure is not cured, if possible to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder or by any other Holder to the Company and (B) seven (7) Trading Days after the Company has become or should have become aware of such failure;

(iv) a default or event of default (subject to any grace or cure period provided in the applicable agreement, document or instrument) shall occur under any other material agreement, lease, document or instrument to which the Company or any Subsidiary is obligated, which default or event of default is not cured, if possible to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder or by any other Holder to the Company and (B) seven (7) Trading Days after the Company has become or should have become aware of such failure;

(v) the Company or any "Significant Subsidiary" (as such term is defined in Rule 1-02(w) of Regulation S-X) shall cease operations, or make a make a public announcement to do so, or shall be subject to a Bankruptcy Event;

(vi) a final non-appealable judgment by any competent court in Canada or the United States for the payment of money in an amount of at least [ ] is rendered against the Company, and the same remains undischarged and unpaid for a period of 45 days during which execution of such judgment is not effectively stayed.

(b) Remedies Upon Event of Default. If any Event of Default occurs, the Default Amount shall become convertible, at the Holder's election, in shares of Common Stock at the Conversion Price then in effect, pursuant to the terms of Section 4.

Section 8. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder shall be in writing and delivered personally, by email attachment, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth on in the Purchase Agreement, or such other, email address, or address as the Company may specify for such purposes by notice to the Holder delivered in accordance with this Section 8(a). Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile, by email attachment, or sent by a nationally recognized overnight courier service addressed to the Holder at the facsimile number, email address or address of the Holder appearing on the books of the Company, or if no such facsimile number or email attachment or address appears on the books of the Company, at the principal place of business of such Holder, as set forth in the Purchase Agreement. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of: (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or email attachment to the email address set forth on the signature pages attached hereto prior to 5:30 p.m. (Eastern time) on any date, (ii) the next Business Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or email attachment to the email address set forth on the signature pages attached hereto on a day that is not a Business Day or later than 5:30 p.m. (Eastern time) on any Business Day, (iii) the second Business Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Absolute Obligation; Ranking. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the Principal Amount of this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company. This Note: (i) is a direct, subordinated debt obligation of the Company; and (ii) ranks junior to any Senior Indebtedness.

(c) Lost or Mutilated Note. The Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the Principal Amount of this Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, reasonably satisfactory to the Company.

(d) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the County of New York, New York (the "**New York Courts**"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such New York Courts, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If any party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

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

(f) Severability. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances.

(g) Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note and any of the other Transaction Documents at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the Holder shall be entitled, in addition to all other available remedies, to an injunction restraining any such breach or any such threatened breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is reasonably requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Note.

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

(i) Headings. The headings contained herein are for convenience only, do not constitute a part of this Note and shall not be deemed to limit or affect any of the provisions hereof.

Section 9. Amendments; Waivers. Any modifications, amendments or waivers of the provisions hereof shall be subject to Section 5.05 of the Purchase Agreement.

Section 10. Usury. Notwithstanding any provision to the contrary contained in any Transaction Document, it is expressly agreed and provided that the total liability of the Company under the Transaction Documents for payments in the nature of interest shall not exceed the maximum lawful rate authorized under applicable law (the "**Maximum Rate**"), and, without limiting the foregoing, in no event shall any rate of interest or default interest, or both of them, when aggregated with any other sums in the nature of interest that the Company may be obligated to pay under the Transaction Documents exceed such Maximum Rate. It is agreed that if the maximum contract rate of interest allowed by law and applicable to the Transaction Documents is increased or decreased by statute or any official governmental action subsequent to the date hereof, the new maximum contract rate of interest allowed by law will be the Maximum Rate applicable to the Transaction Documents from the effective date thereof forward, unless such application is precluded by applicable law. If under any circumstances whatsoever, interest in excess of the Maximum Rate is paid by the Company to any Holder with respect to indebtedness evidenced by the Transaction Documents, such excess shall be applied by the Holder to the unpaid principal amount of any such indebtedness or be refunded to the Company, the manner of handling such excess to be at such Holder's election.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed by a duly authorized officer as of the date first above indicated.

AVALON GLOBOCARE CORP.

By: */s/ Luisa Ingargiola*
Name: Luisa Ingargiola
Title: Chief Financial Officer

Exhibit 10.2

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "**Agreement**") is dated as of December 11, 2025 and is by and between Avalon Globocare Corp., a Delaware corporation (the "**Company**"), and the purchaser identified on the signature page hereto (the "**Investor**" or "**Holder**").

WHEREAS, the Investor wishes to purchase from the Company, and the Company wishes to sell and issue to the Investor an unsecured promissory note in the form of **Exhibit A** hereto (the "**Note**") in an aggregate original principal amount of $375,000.00, reflecting a twenty percent (20%) original issue discount ("**OID**");

WHEREAS, in consideration of the Investor's entry into this Agreement the Company has agreed to issue to the Investor 100,000 shares of its Common Stock (the "Commitment Shares") as set forth herein;

WHEREAS, the Company and the Investor are executing and delivering this Agreement in reliance upon an exemption from securities registration requirements of the Securities Act of 1933, as amended, afforded by the provisions of Section 4(a)(2) and/or Rule 506(b) of Regulation D promulgated thereunder by the U.S. Securities and Exchange Commission;

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Investor agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. In addition to the terms defined elsewhere in this Agreement: (a) capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Notes (as defined herein), and (b) the following terms have the meanings set forth in this Agreement.

"$" means United States Dollars.

"Action" has the meaning ascribed to such term in Section 3.01(j).

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except Saturday, Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

"Closing" means the closing of the purchase and sale of the Note pursuant to Section 2.01.

"Closing Date" means for any Securities, the Business Day when all of the Transaction Documents for such Note have been executed and delivered by the applicable parties thereto, and conditions precedent to: (i) the Investor's obligations to pay the Subscription Amount and (ii) the Company's obligations to deliver the Note have been satisfied or waived.

"Commission" means the U.S. Securities and Exchange Commission.

"Common Shares" means the Common Shares, par value $0.0001 per share, of the Company, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Shares Equivalent" means any warrant, note, option or similar security or other right to subscribe for or purchase, or which are otherwise convertible, exchangeable, or exercisable into, any additional Common Shares or any other such security.

"Conversion Shares" means the Common Shares and/or other securities issuable upon conversion of the Note following an Event of Default (as defined therein) thereunder.

"Equity Securities" means the Commitment Shares and/or the Conversion Shares.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"GAAP" has the meaning ascribed to such term in Section 3.01(h).

"Legend Removal Date" has the meaning ascribed to such term in Section 4.01(c).

"Liens" shall mean a lien, charge, security interest, encumbrance, right of first refusal, preemptive right or other restriction or adverse claim of a third party.

"Material Adverse Effect" has the meaning ascribed to such term in Section 3.01(b).

"Note" has the meaning provided in the recitals hereof.

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

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Required Approvals" has the meaning ascribed to such term in Section 3.01(d).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"SEC Reports" has the meaning ascribed to such term in Section 3.01(h).

"Securities" means the Note, the Commitment Shares, and the Conversion Shares.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"State Securities Laws" means the securities (or "blue sky") rules, regulations, or other similar laws of a particular state.

"Subscription Amount" means the aggregate amount to be paid by the Investor for Note purchased.

"Subsequent Financing" has the meaning set forth in Section 4.08.

"Subsidiary" means any subsidiary of the Company as disclosed pursuant to Section 3.01(a) and shall, where applicable, include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Termination Date" means a date determined by the Company on which the offering of the Securities shall terminate.

"Trading Day" means any day on which the principal Trading Market is open for trading or quoting.

"Trading Market" means any of the following markets or exchanges on which the Common Shares are listed or quoted for trading on the date in question: the Nasdaq Stock Market LLC(or any successor thereto).

"Transaction Documents" means this Agreement, the Note, the Irrevocable Instructions, and all appendices, exhibits and schedules hereto and thereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

"Transfer Agent" means the Company's transfer agent, VStock Transfer, LLC, or any successor transfer agent of the Company.

ARTICLE II
PURCHASE AND SALE

Section 2.01 Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, substantially concurrent with the execution and delivery of this Agreement by the parties hereto, the Company agrees to sell, and the Investor agrees to purchase the Note. At the Closing, the Investor shall deliver, via wire transfer, immediately available funds equal to the Investor's Subscription Amount as set forth hereinbelow and the Company shall deliver to the Investor the Note and the Commitment Shares. The Company and the Investor shall deliver the other items set forth in Section 2.02 deliverable at the Closing. Upon satisfaction of the conditions set forth in Section 2.01 and Section 2.03, the Closing shall occur at the offices of the Company's counsel, or such other location as the parties shall mutually agree or may be closed remotely by electronic delivery of documents. The Closing Date shall be the date indicated on the Investor signature page attached hereto.

Section 2.02 Closing Deliverables.

(a) By The Investor. On or prior to the Closing Date, the Investor shall deliver or cause to be delivered to the Company the following:

(i) this Agreement, duly executed by such Investor; and

(ii) the Investor's Subscription Amount, in the amount of $300,000 by wire transfer to the Company pursuant to the wiring instructions set forth in Section 2.03(c) below.

(b) By the Company. On or prior to the Closing Date, the Company shall deliver or cause to be delivered to the Investor the following:

(i) this Agreement, duly executed by an authorized officer of behalf of the Company;

(ii) the Note, the form of which is attached hereto as **Exhibit A**, registered in the name of the Investor (or its designee), with a principal amount equal to $375,000.00, duly executed by an authorized officer of behalf of the Company; and

(iii) irrevocable instructions to the Transfer Agent instructing the Transfer Agent to deliver via a certificate or book entry statement evidencing the Commitment Shares to be issued to the Investor, registered in the name of the Investor (the "**Irrevocable Instructions**").

Section 2.03 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the Investor's representations and warranties contained herein;

(ii) all obligations, covenants and agreements of the Investor required to be performed at or prior to the Closing Date shall have been performed; and

(iii) the delivery by the Investor of the items set forth in Section 2.02(a) of this Agreement.

(b) The obligations of the Investor hereunder in connection with the Closing are subject to the following conditions being met (it being understood that the Company may waive any of the conditions for any Closing hereafter):

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein in which case they shall be accurate as of such date);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;

(iii) the delivery by the Company of the items set forth in Section 2.02(b) of this Agreement; and

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date hereof.

(c) The wiring instructions for the Company are as follows:

Bank Name:

Routing No.:
Account No.:
Account Title:

ARTICLE III
REPRESENTATIONS AND WARRANTIES

Section 3.01 Representations and Warranties of the Company. The Company hereby represents and warrants to the Investor that, except as set forth in the SEC Reports, the following representations are true and complete as of the date of the date hereof.

(a) Organization and Qualification. The Company is an entity duly organized, validly existing and in good standing under the laws of the State of Delaware, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is not in violation or default of any of the provisions of its certificate of formation and and/or other organizational or charter documents, each, as amended and in effect. Each Subsidiary is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, has the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company and each Subsidiary is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document; (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, or any of its material assets or lines of business, individually; or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "**Material Adverse Effect**") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(b) Authorization; Enforcement. The Company has the requisite legal power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection therewith other than in connection with the Required Approvals. Each Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally; (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(c) No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents to which it is a party, the issuance and sale of the Securities hereunder and the consummation by the Company of the other transactions contemplated hereby and thereby do not and will not: (i) conflict with or violate any provision of the Company's certificate of formation, bylaws or other organizational or charter documents; (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected; or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or any Subsidiary is subject (including federal and State Securities Laws and regulations), or by which any property or asset of the Company or any Subsidiary is bound or affected; except in the case of each of clause (ii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(d) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) such consents, waivers, or authorizations as have been obtained before the Closing; and (ii) the filing of Form D with the Commission and such filings as are required to be made under applicable State Securities Laws (collectively, the "**Required Approvals**").

(e) Issuance of the Securities. The Securities are (or, in the case of any Conversion Shares, will be upon issuance) duly authorized and, when issued and/or paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens other than restrictions on transfer provided for in the Transaction Documents.

(f) Private Placement. Assuming the accuracy of the Investor's representations and warranties set forth in section 3.02, no registration under the Securities Act is required for the offer and sale of the Note or issuance of the Commitment Shares by the Company to the Investor as contemplated hereby.

(g) No General Solicitation. Neither the Company nor any Person acting on behalf of the Company has offered or sold any of the Securities by any form of general solicitation or general advertising. The Company has offered the Securities for sale only to the Investor.

Section 3.02 Representations and Warranties of the Investor.

The Investor hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) Authority; Organization. Such Investor has full power and authority (and, if such Investor is an individual, the capacity) to enter into this Agreement and to perform all obligations required to be performed by it hereunder. If an entity, such Investor is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with full right, corporate or partnership power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Investor of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate or similar action on the part of such Investor. Each Transaction Document to which it is a party has been duly executed by such Investor, and when delivered by such Investor in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Investor, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies, and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Own Account. Such Investor understands that the Securities are "restricted securities" and have not been registered under the Securities Act or any applicable State Securities Law and is acquiring the Securities as principal for its own account and not with a view to or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable State Securities Law, has no present intention of distributing any of such Securities in violation of the Securities Act or any applicable State Securities Law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Securities (this representation and warranty not limiting such Investor's right to sell the Securities in compliance with applicable federal and State Securities Laws) in violation of the Securities Act or any applicable State Securities Law. Such Investor is acquiring the Securities hereunder in the ordinary course of its business.

(c) Non-Transferrable. Such Investor agrees: (i) that the Investor will not sell, assign, pledge, give, transfer or otherwise dispose of the Securities or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Securities under the Securities Act and all applicable State Securities Laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable State Securities Laws, (ii) that the certificates representing the Securities will bear a legend making reference to the foregoing restrictions, and (iii) that the Company and its Affiliates shall not be required to give effect to any purported transfer of such Securities except upon compliance with the foregoing restrictions.

(d) Investor Status. Such Investor is an "accredited investor" as defined in Rule 501(a) under Regulation D of the Securities Act. The Investor agrees to furnish any additional information requested by the Company or any of its Affiliates to assure compliance with applicable U.S. federal and state securities laws in connection with the purchase and sale of the Securities. Any information that has been furnished or that will be furnished by the undersigned to evidence its status as an accredited investor is accurate and complete, and does not contain any misrepresentation or material omission.

(e) Experience of Such Investor. Such Investor, either alone or together with its representatives, has such knowledge, sophistication, and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Investor is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(f) No Trading Market. Such Investor acknowledges that there is currently no active trading market for the Note and that none is expected to develop.

(g) General Solicitation. Such Investor undersigned acknowledges that neither the Company nor any other person offered to sell the Securities to it by means of any form of general solicitation or advertising, including, but not limited to: (i) any advertisement, article, notice, or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or (ii) any seminar or meeting whose attendees were invited by any general solicitation or general advertising.

(h) Confidentiality. Other than to other Persons party to this Agreement and its advisors who have agreed to keep information confidential or have a fiduciary obligation to keep such information confidential, such Investor has maintained the confidentiality of all disclosures made to it in connection with the transaction (including the existence and terms of this transaction).

(i) Foreign Investor. If such Investor is not a United States person, such Investor represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Agreement, including: (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Securities. The Investor further represents that its payment for, and its continued beneficial ownership of the Securities, will not violate any applicable securities or other laws of its jurisdiction.

(j) Information from Company. Such Investor and its investment managers, if any, have been afforded the opportunity to obtain any information necessary to verify the accuracy of any representations or information presented by the Company in this Agreement and have had all inquiries to the Company answered, and have been furnished all requested materials, relating to the Company and the Offering and sale of the Securities and anything set forth in the Transaction Documents. Neither the Investor nor the Investor's investment managers, if any, have been furnished any offering literature by the Company or any of its Affiliates, associates, or agents other than the Transaction Documents, and the agreements referenced therein.

(k) Speculative Nature of Investment; Risk Factors. **SUCH INVESTOR UNDERSTANDS THAT AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK.** Such Investor acknowledges that: (i) any projections, forecasts or estimates as may have been provided to the Investor are purely speculative and cannot be relied upon to indicate actual results that may be obtained through this investment; any such projections, forecasts and estimates are based upon assumptions which are subject to change and which are beyond the control of the Company or its management, (ii) the tax effects which may be expected by this investment are not susceptible to absolute prediction, and new developments and rules of the Internal Revenue Service, audit adjustment, court decisions or legislative changes may have an adverse effect on one or more of the tax consequences of this investment, and (iii) the Investor has been advised to consult with his own advisor regarding legal matters and tax consequences involving this investment. The Investor represents that the Investor's investment objective is speculative in that the Investor seeks the maximum total return through an investment in a broad spectrum of securities, which involves a higher degree of risk than other investment styles and therefore the Investor's risk exposure is also speculative. The Securities offered hereby are highly speculative and involve a high degree of risk and Investor should only purchase these securities if Investor can afford to lose its entire investment.

(l) Money Laundering. If an entity, the operations of such Investor are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "**Money Laundering Laws**"), and no Action or Proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

The Company acknowledges and agrees that the representations contained in Section 3.02 shall not modify, amend or affect such Investor's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transaction contemplated hereby.

ARTICLE IV
OTHER AGREEMENTS OF THE PARTIES

Section 4.01 Transfer Restrictions.

(a) The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Securities other than pursuant to an effective registration statement or Rule 144, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. The Securities may not be sold or transferred by the Investor without the written consent of the Company, which shall not be unreasonably withheld. As a condition of such sale or transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights of an Investor under this Agreement.

(b) The Investor agrees to the imprinting, so long as is required by this Section 4.01, of a legend on any of the Securities in the following form:

[NEITHER] THIS SECURITY [NOR THE SECURITIES FOR/INTO WHICH THIS SECURITY IS EXERCISABLE/CONVERTIBLE] HAS [NOT] BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

(c) Upon the Investor's request in connection with a proposed sale of the Securities pursuant to Rule 144 and if the Company reasonably determines it is so required, upon receipt of customary documentation from Investor's broker (if the Securities are sold in brokers transactions), the Company shall, at its own cost and effort, retain legal counsel to provide an opinion letter to the Company's transfer agent opining that the Securities may be resold without registration under the Securities Act, pursuant to Rule 144, promulgated thereunder, so long as the requirements of Rule 144 are met for any Securities to be resold thereunder. The Company shall arrange for any such opinion letter to be provided not later than two (2) Business Days after the date of delivery to and receipt by the Company of a written request by the Investor together with (if required in order to render the opinion) any broker's representation letter of other customary documentation reasonably requested by the Company evidencing compliance with Rule 144 (the "**Legend Removal Date**"), and such opinion letter may be a "blanket" opinion letter covering Securities held by more than one Investor (if applicable to more than one Investor).

(d) The Investor agrees that it will sell any Securities only pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom, and that if Securities are sold pursuant to a registration statement, they will be sold in compliance with the plan of distribution set forth therein, and acknowledges that the removal of the restrictive legend from certificates representing Securities as set forth in this Section 4.01 is predicated upon the Company's reliance upon this understanding.

Section 4.02 [Reserved].

Section 4.03 Integration. The Company shall not sell, offer for sale, or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act), including in or as any Subsequent Financing, that would be integrated with the offer or sale of the Securities to the Investor in a manner that would require the registration under the Securities Act of the sale of the Securities to the Investor.

Section 4.04 Publicity. The Company and the Investor shall consult with each other in issuing any other press releases with respect to the transactions contemplated hereby, and neither the Company nor the Investor shall issue any such press release nor otherwise make any such public statement without the prior consent of the Company with respect to any press release of the Investor, or without the prior consent of the Investor with respect to any press release of the Company mentioning such Investor, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, in which case the disclosing party shall promptly provide the other party with prior notice of such public statement or communication.

Section 4.05 Indemnification of Investor. The Company shall indemnify, reimburse and hold harmless the Investor and its partners, members, stockholders, officers, directors, managers, employees and agents (and any other persons with other titles that have similar functions) (collectively, "**Indemnitees**") from and against any and all losses, claims, liabilities, damages, penalties, suits, costs and expenses, of any kind or nature, (including fees relating to the cost of investigating and defending any of the foregoing) imposed on, incurred by or asserted against such Indemnitee in any way related to or arising from or alleged to arise from: (i) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents and (ii) any action instituted against such Indemnitee in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Indemnitee, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Indemnitee's representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Indemnitee may have with any such stockholder or any violations by such Indemnitee of state or federal securities laws or any conduct by such Indemnitee which results from the gross negligence or willful misconduct of the Indemnitee as determined by a final, nonappealable decision of a court of competent jurisdiction).

Section 4.06 Reservation of Shares.

(a) The Company shall maintain a reserve from its duly authorized shares of Common Shares for issuance of the Equity Securities pursuant to the this Agreement and the Note.

(b) If, on any date, the number of authorized but unissued (and otherwise unreserved) Common Shares is less than the minimum amount of shares issuable pursuant to this Agreement, on such date, then the Board of Directors shall use commercially reasonable efforts to amend the Company's certificate or articles of incorporation to increase the number of authorized but unissued Common Shares to at least the necessary amount in accordance with the terms of the Note, at such time, as soon as possible and in any event not later than the 60th day after such date.

Section 4.07 Equityholder Approval; Prohibition on Issuance. In this Agreement "**Equityholder Approval**" means the approval of the holders of a majority of the Company's outstanding Common Shares to effectuate an issuance of Conversion Shares in excess of 19.99% of the Company's Common Shares (measured by number and voting power in accordance with the rules of the Nasdaq Stock Market LLC)) (the "**Exchange Cap**", subject to appropriate adjustment for any stock dividend, stock split, stock combination, rights offerings, reclassification or similar transaction that proportionately decreases or increases the number of outstanding Common Shares). Further, the Investor hereby acknowledges and agrees that notwithstanding anything to the contrary set forth in this Agreement or the Note, in no event shall the Company issue a number of Conversion Shares in excess of the Exchange Cap prior to the time that Equityholder Approval shall have been obtained for such issuance. If required, the Company shall hold a special meeting of its members on or before the date that is sixty (60) calendar days after the date hereof, for the purpose of obtaining Equityholder Approval, with the recommendation of the Company's Board of Managers that such proposal be approved, and the Company shall solicit proxies from its members in connection therewith in the same manner as all other management proposals in such proxy statement and all management-appointed proxyholders shall vote their proxies in favor of such proposal. In addition, all members of the Company's Board of Directors and all of the Company's executive officers shall vote in favor of such proposal, for purposes of obtaining the Equityholder Approval. The Company shall use its best efforts to obtain such Equityholder Approval. Until such approval is obtained, the Investor shall not be issued in the aggregate, pursuant to this Agreement or upon conversion of the Note, Common Stock in an amount greater than the Exchange Cap.

ARTICLE V
MISCELLANEOUS

Section 5.01 Termination. This Agreement may be terminated by the Company by written notice to the Investor if the Closing has not been consummated on or before the Termination Date; provided, however, that such termination will not affect the right of any party to sue for any breach by the other party.

Section 5.02 Fees and Expenses. Each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement.

Section 5.03 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

Section 5.04 Notices. Any notice, request, instruction or other document to be given hereunder by any party to the others shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid, or by or email:

if to the Investor:

To the address set forth on such Investor's signature page hereto;

with a copy to (which shall not constitute notice):

if to the Company:

Avalon Globocare Corp.
4400 Route 9 South, Suite 3100
Freehold, New Jersey 07728
Attention: David K. Jin, Chief Executive Officer

with a copy to (which shall not constitute notice):

Sichenzia Ross Ference Carmel LLP
1185 Avenue of the Americas, 31st Floor
New York, NY 10035
Attn: Jesse L. Blue, Esq.
Email: jblue@srfc.law

or to such other Persons or addresses as may be designated in writing by the party to receive such notice as provided above.

Section 5.05 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented, or amended except in a written instrument signed by the Company and the Investor or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

Section 5.06 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Investor (other than by merger). The Investor may assign any or all of its rights under this Agreement to any Person to whom the Investor assigns or transfers any Securities, provided that such transfer complies with all applicable federal and State Securities Laws and that such transferee agrees in writing with the Company to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the Investor.

Section 5.07 No Third-Party Beneficiaries. This Agreement is intended for sole the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

Section 5.08 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates, managers, directors, officers, stockholders, employees or agents) shall be commenced exclusively in the federal and state courts sitting in the County of New York, New York (the "**New York Courts**"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such New York Courts, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Transaction Documents or the transactions contemplated hereby. If any party shall commence an action or proceeding to enforce any provisions of the Transaction Documents, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

Section 5.09 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Securities.

Section 5.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page was an original thereof.

Section 5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

Section 5.12 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever the Investor exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then the Investor may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights; provided, however, that in the case of a rescission of a conversion of the Note, the Investor shall be required to return any shares of Common Stock subject to any such rescinded conversion notice.

Section 5.13 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

Section 5.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, the Investor and the Company will be entitled to seek specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

Section 5.15 [Reserved].

Section 5.16 [Reserved].

Section 5.17 Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments hereto. In addition, each and every reference to share prices and Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

Section 5.18 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

Section 5.19 WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

[**SIGNATURE PAGES FOLLOW**]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date below.

AVALON GLOBOCARE CORP.

By: /s/ Luisa Ingargiola
Name: Luisa Ingargiola
Title: Chief Financial Officer

[INVESTOR:]

By:
Name: Allen O Cage Jr.
Title: Investor
Address:
EIN:
Subscription Amount.__$100,000_____

EXHIBIT A
[Form of Note]

Exhibit 10.3

AVALON GLOBOCARE CORP.
4400 Route 9 South, Suite 3100
Freehold, New Jersey 07728

December 14, 2025

Allen O. Cage Jr.

Amendment to
Securities Purchase Agreement and Unsecured Bridge Note

Dear Sirs:

Reference is hereby made to that certain Securities Purchase Agreement dated as of December 11, 2025 (the "**Purchase Agreement**") between the undersigned Avalon Globocare Corp., a Delaware corporation (the "**Company**"), and the Investor identified on the signature pages thereto, and to that certain Unsecured Bridge Note and the Holder thereof (the "**Note**"), issued to the Holder on December 11, 2025 pursuant to the Purchase Agreement. Capitalized terms used and not defined in this amendment to the Purchase Agreement (this "**Amendment**") shall have the respective meanings ascribed to such terms in the Purchase Agreement.

This Amendment is to set forth our mutual understanding and agreement to amend certain terms set forth in the Purchase Agreement and the Note, with respect to purchase and sale of Securities pursuant to the Purchase Agreement, set forth below. Notwithstanding anything to the contrary set forth in the Purchase Agreement or the Note:

1. The Company shall obtain Equityholder Approval before issuing to the Investor any of the Commitment Shares to be issued to the Investor pursuant to Section 2.01 and Section 2.02(a)(iii) of the Purchase Agreement. The Company shall not issue the Commitment Shares to the Investor until and unless it has obtained the necessary Equityholder Approval for such issuance.

2. No amount outstanding under the Note shall be convertible, and Company shall not issue to the Investor any Conversion Shares, pursuant to Section 4 of the Note until and unless it has obtained the necessary Shareholder Approval for such Issuance.

3. The Company shall hold a special meeting of its shareholders promptly following the date hereof, for the purpose of obtaining Equityholder Approval for the issuance of the Commitment Shares, and shall also seek Shareholder Approval (as that term is defined in the Note) for any future issuance of the Conversion Shares pursuant to Section 4 of the Note (collectively, the "**Approvals**"), with the recommendation of the Company's Board of Directors that the Approvals be approved, and the Company shall solicit proxies from its shareholders in connection therewith in the same manner as all other management proposals in such proxy statement and all management-appointed proxyholders shall vote their proxies in favor of such proposals. In addition, all members of the Company's Board of Directors and all of the Company's executive officers shall vote in favor of such proposals, for purposes of obtaining the Approvals. The Company shall use its best efforts to obtain such Approvals. Until such Approvals are obtained, the Investor shall not be issued the Commitment Shares or the Conversion Shares.

4. Other than as expressly modified pursuant to this Amendment, all of the terms, conditions, and other provisions of the Purchase Agreement and the Note remain unchanged and shall continue to be in full force and effect in its entirety, which such terms are hereby ratified and confirmed.

5. From and after the date hereof, all references in the Transaction Documents to the Purchase Agreement and the Note shall be deemed to additionally refer to this Amendment. The Purchase Agreement, as amended by this Agreement, together with the Exhibits hereto, constitutes the entire agreement of the parties with respect to the subject matter hereof.

6. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

All questions concerning the construction, validity, enforcement and interpretation of this Amendment shall be determined in accordance with the provisions of the Purchase Agreement.

[*Signature Page Follows*]

If the foregoing accurately reflects our agreement, kindly evidence your acceptance of this Amendment by signing below:

Sincerely,

AVALON GLOBOCARE CORP.

By: /s/ Luisa Ingargiola
Name: Luisa Ingargiola
Title: Chief Financial Officer

ACCEPTED AND AGREED TO:

ALLEN O. CAGE JR.

[*Signature Page to Side Letter*]

Exhibit 10.4

Amendment No. 1 dated December 14, 2025 (the "Amendment") entered into by and among (i) Avalon Globocare Corp., a Delaware corporation ("Purchaser"), (ii) Avalon Quantum AI, LLC, a Nevada limited liability company and a wholly-owned Subsidiary of Purchaser ("Merger Sub"), and (iii) RPM Interactive, Inc., a Nevada corporation (the "Company"), which hereby amends the Agreement and Plan of Merger dated December 12, 2025 (the "Merger Agreement") entered into by and among Purchaser, Merger Sub and the Company.

The Merger Agreement is hereby amended as follows:

1. The second sentence of Section 5.7(a) of the Merger Agreement is hereby deleted in its entirety and replaced with the following sentence:

"The Purchaser shall use its commercially reasonable efforts to hold the Purchaser Special Meeting on May 12, 2026 or as soon thereafter as is reasonably practicable with the recommendation of the Purchaser's board of directors that such proposal(s) be approved."

Except as set forth above, the Merger Agreement shall remain in full force and effect.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

Purchaser:

AVALON GLOBOCARE CORP.

By: /s/ *Luisa Ingargiola*
Name: Luisa Ingargiola
Title: Chief Financial Officer

Merger Sub:

AVALON QUANTUM AI, LLC

By: /s/ *Luisa Ingargiola*
AVALON GLOBOCARE CORP., Managing Member
Name: Luisa Ingargiola
Title: Chief Financial Officer

The Company:

RPM INTERACTIVE, INC.

By: /s/ *Darin Myman*
Name: Darin Myman
Title: President

Exhibit 99.1

Avalon GloboCare Acquires RPM Interactive, a Generative AI Software Company, in an All-Stock Transaction

Company forms a new subsidiary, Avalon Quantum AI, LLC, in connection with the acquisition

Acquisition expected to resolve Nasdaq minimum stockholders' equity deficiency

RPM Interactive has developed a fully automated, generative AI powered SaaS platform for creating short-form video content

FREEHOLD, N.J., December 15, 2025 (GLOBE NEWSWIRE) – Avalon GloboCare Corp. ("Avalon" or the "Company") (NASDAQ: ALBT), a developer of precision diagnostic consumer products, today announced that it has acquired RPM Interactive, Inc. ("RPM"), a generative artificial intelligence ("AI") publishing and software company, in an all-stock transaction. As a result of the acquisition, the Company believes its stockholders' equity now exceeds the $2.5 million minimum required for continued listing on The Nasdaq Capital Market under Nasdaq Listing Rule 5550(b)(1).

Under the terms of the Agreement and Plan of Merger dated December 12, 2025 by and among the Company, Avalon Quantum AI, LLC and RPM (the "Merger Agreement"), RPM merged with and into Avalon Quantum AI, LLC, a wholly-owned subsidiary of the Company (the "Merger"). In connection with the Merger, Avalon issued 19,500 shares of Series E Non-Voting Convertible Preferred Stock ("Series E Preferred Stock") to RPM's stockholders, representing a total purchase price of $19.5 million. Each share of Series E Preferred Stock carries a stated value of $1,000 and is convertible into shares of Avalon's common stock at a $1.50 conversion price, subject to customary conditions and subject to a beneficial ownership limitation at any time of 4.99% of the number of shares issued and outstanding. The Series E Preferred Stock is only convertible from and after May 12, 2026 and any such conversion is subject to the Company obtaining shareholder approval in accordance with Nasdaq Listing Rules among other limitations on conversion.

RPM has developed the Catch-Up Software-as-a-Service (SaaS) platform, a system that intelligently sources relevant video clips, generates human-like AI commentary, creates an engaging on-screen avatar, and publishes finished content to all major platforms – all on an automated basis. Marketing for this software platform is expected to begin immediately after the new year.

The Catch-Up SaaS platform is expected to be licensed to successful content creators, media companies, and brands to efficiently generate recap-style videos across news, politics, sports, finance, entertainment, and other evergreen categories—without requiring manual editing, production tools, or technical expertise. This new, unique video format has been designed to give successful content creators a second video format to publish with, driving up their volume of videos produced each week and revenues.

Avalon plans to leverage the Catch-Up platform to support and amplify marketing initiatives for KetoAir™, the Company's FDA-registered breathalyzer designed to help consumers easily monitor and manage their wellness and metabolic health. The pairing of Avalon's consumer health products with RPM's AI-driven content engine is expected to accelerate audience reach, digital engagement, and adoption of Avalon's product portfolio.

"The acquisition of RPM is an important strategic step for Avalon," said Meng Li, Interim Chief Executive Officer and Chief Operating Officer of Avalon GloboCare. "Integrating RPM's AI-driven video studio with our consumer health products, starting with the launch of KetoAir™, will enhance our marketing capabilities, broaden our digital reach, and support our long-term value creation strategy. We look forward to leveraging RPM's technology to elevate our brand visibility and strengthen our position in the precision wellness market."

"RPM's Catch-Up SaaS platform represents a breakthrough in how short-form video content can be created, scaled, and monetized," said Michael Mathews, Chief Executive Officer of RPM. "By leveraging our fully automated generative AI video studio to support the marketing and efforts behind Avalon's KetoAir™, we believe we can significantly enhance digital engagement and create new opportunities to reach health and wellness-focused consumers."

Pursuant to the Merger Agreement, Michael Mathews has been appointed to Avalon's Board of Directors. Michael Mathews is a seasoned technology and digital media executive with more than two decades of leadership experience across AI, internet services, digital marketing, and online learning sectors. He currently serves as Chairman and Chief Executive Officer of Aspen Group, Inc. (OTCQB: ASPU), which owns Aspen University and United States University. ASPU holds a unique position in the higher education sector, as they uniquely offer students monthly payment plans allowing students the ability to graduate debt free.

Previously, Mr. Mathews served as Chief Executive Officer and Director of Interclick, Inc., a data-driven digital advertising technology company. Under his leadership, Interclick became a category leader and was acquired by Yahoo, Inc. in 2011.

Earlier in his career, Mr. Mathews held senior leadership roles including Senior Vice President of Marketing and Publisher Services at World Avenue U.S.A., LLC, where he oversaw strategic marketing, publisher development, and large-scale digital distribution initiatives.

“Michael is a recognized innovator in performance marketing and AI-enabled content systems,” added Meng Li, Interim Chief Executive Officer and Chief Operating Officer of Avalon GloboCare. “He brings deep experience in scaling technology platforms, driving digital engagement, and building long-term shareholder value. We are pleased to welcome him to our Board as we execute on our growth and technology integration strategy.”

E.F. Hutton & Co. served as financial advisor to RPM Interactive, Inc. in connection with the transaction.

The Company also has a pending merger with YOOV Group Holdings Limited, a provider of advanced artificial intelligence automation solutions and currently has an S-4 registration statement on file with the Securities and Exchange Commission that was originally filed April 29, 2025.

About KetoAir ™

KetoAir™ is a handheld breathalyzer designed for ketogenic health management (U.S. Food and Drug Administration registration number: 3026284320). It measures breath acetone concentration (BrAce), a key indicator of fat metabolism and ketosis. The KetoAir™ breathalyzer device is owned and manufactured by Qi Diagnostics Limited, a nanosensor-based diagnostic technologies company. Intended for users pursuing ketogenic diets for weight loss, athletic performance, or therapeutic purposes, the device utilizes nano-sensor technology to provide real-time insights. KetoAir™ is compatible with both Apple and Android devices and is available via the Apple App Store and Google Play Store. For more information or to purchase KetoAir™, please visit www.ketoair.us.

About Avalon GloboCare Corp.

Avalon GloboCare Corp. (NASDAQ: ALBT) is a developer of precision diagnostic consumer products and the advancement of intellectual property in cellular therapy. Avalon is currently marketing the KetoAir™ breathalyzer device and plans to develop additional diagnostic uses of the breathalyzer technology. The KetoAir™ is registered with the U.S. Food and Drug Administration as a Class I medical device. The Company also continues to focus on advancing its intellectual property portfolio through existing patent applications. In addition, Avalon owns and operates commercial real estate.

For more information about Avalon, please visit www.avalon-globocare.com. Information on the Company’s website does not constitute a part of and is not incorporated by reference into this press release.

No Offer or Solicitation

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, or a solicitation of any proxy, consent, authorization, vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended (the "Securities Act").

Additional Information About the Proposed Merger for Investors and Shareholders

This communication relates to the proposed merger (the "proposed Merger") of Avalon and YOOV Group Holding Limited ("YOOV"). In connection with the proposed Merger, Avalon has filed relevant materials with the U.S. Securities and Exchange Commission (the "SEC"), including a Registration Statement on Form S-4, as amended, that contains a preliminary prospectus and preliminary proxy statement of Avalon (the "proxy statement/prospectus"). This Registration Statement has not yet been declared effective and Avalon has filed or may file other documents regarding the proposed Merger with the SEC. This press release is not a substitute for the proxy statement/prospectus or for any other document that Avalon has filed or may file with the SEC in connection with the proposed Merger. No offering of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION THAT STOCKHOLDERS SHOULD CONSIDER BEFORE MAKING ANY DECISION REGARDING THE PROPOSED MERGER. A definitive proxy statement/prospectus will be sent to Avalon's stockholders. Investors and security holders will be able to obtain these documents (when available) free of charge from the SEC's website at www.sec.gov. In addition, investors and stockholders should note that Avalon communicates with investors and the public using its website (https://www.avalon-globocare.com), the investor relations website (https://www.avalon-globocare.com/investors) where anyone will be able to obtain free copies of the proxy statement/prospectus and other documents filed by Avalon with the SEC, and stockholders are urged to read the proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed Merger.

Participants in the Solicitation

Avalon, YOOV and their respective directors and executive officers and other members of management and employees and certain of their respective significant stockholders may be deemed to be participants in the solicitation of proxies from Avalon and YOOV stockholders in respect of the proposed Merger. Information about Avalon's directors and executive officers is available in Avalon's Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on March 31, 2025. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the proxy solicitation and a description of their direct and indirect interests, by security holding or otherwise, has been and will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the proposed Merger when they become available. Investors should read the definitive proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from the SEC and Avalon as indicated above.

Forward-Looking Statements

Certain statements contained in this press release are "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting the Company and therefore involve several risks and uncertainties. You can identify these statements by the fact that they use words such as "will", "anticipate", "estimate", "expect", "should", "may", and other words and terms of similar meaning or use of future dates; however, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact, including statements regarding the ability to enter into a definitive agreement, as well as the Company's commercialization, distribution and sales of its products and the product's ability to compete with other similar products. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors as disclosed in our filings with the Securities and Exchange Commission (the "SEC"), accessible through the SEC's website (http://www.sec.gov), including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed or furnished with the SEC. In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors, including (without limitation) general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. The forward-looking statements included in this press release represent the Company's views as of the date of this press release and these views could change. The Company disclaims any obligation to update forward-looking statements. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of the press release. The contents of any website referenced in this press release are not incorporated by reference herein.

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Exhibit 99.2

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024 and 2023

CONTENTS

SALBERG & COMPANY, P.A.
Certified Public Accountants and Consultants

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of:
RPM Interactive, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of RPM Interactive, Inc. and consolidated entities (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, changes in stockholders' deficit and cash flows for the each of the two years in the period ended December 31 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2024 and 2023, and the consolidated results of its operations and its cash flows for the each of the two years in the period ended December 31 2024, in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered net losses since inception and in fiscal 2024 has a net loss of $2,076,592 and cash used in operations of $1,445,352. The Company also had an accumulated deficit, stockholders' deficit and working capital deficit of $6,067,579 and $4,570,881, respectively, as of December 31, 2024. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's Plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated 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.

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We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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) relate to accounts or disclosures that are material to the consolidated 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 consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which it relates.

Allocation of Certain Expenses of Parent to the Company

As described in footnote 2 "Basis of Presentation" to the consolidated financial statements, the parent allocated certain expenses to the Company using a proportional allocation method. This proportional allocation was based upon a ratio of the Company's direct specifically identified expenses compared to the total consolidated expenses of the parent company. The determination of the method of allocation and the allocation percentage is based on subjective judgments.

We identified the determination of the method of allocation and the allocation percentage to be a critical audit matter.

The primary procedures we performed to address this critical audit matter included the following: we (a) gained an understanding of the method management selected for the allocation, (b) assessed the reasonableness of the selected method by inquiring of management and discussing other alternative methods, (c) recomputed the allocation percentage determined by management. We agreed with management's conclusions.

/s/ SALBERG & COMPANY, P.A.

SALBERG & COMPANY, P.A.
Boca Raton, Florida
April 23, 2025

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS:		
Cash	$ 429,714	$ 6,954
Prepaid expenses	16,956	2,668
Total Current Assets	446,670	9,622
NON-CURRENT ASSETS:		
Internal-use software	1,050,000	-
Total Non-Current Assets	1,050,000	-
Total Assets	$ 1,496,670	$ 9,622
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 26,845	$ 1,974
Due to related party - parent	4,990,706	3,511,600
Total Current Liabilities	5,017,551	3,513,574
Total Liabilities	5,017,551	3,513,574
STOCKHOLDERS' DEFICIT:		
Preferred stock ($0.0001 par value; 20,000,000 shares authorized, no shares issued and outstanding)	-	-
Common stock ($0.0001 par value; 180,000,000 shares authorized; 40,247,326 and 32,000,000 shares issued and outstanding on December 31, 2024 and 2023, respectively)	4,025	3,200
Additional paid-in capital	2,542,673	496,800
Accumulated other comprehensive loss	-	(12,965)
Accumulated deficit	(6,067,579)	(3,990,987)
Total Stockholders' Deficit	(3,520,881)	(3,503,952)
Total Liabilities and Stockholders' Deficit	$ 1,496,670	$ 9,622

See accompanying notes to consolidated financial statements.

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
NET REVENUES	$ -	$ -
OPERATING EXPENSES:		
Compensation and related expenses	525,516	620,702
Marketing and advertising expenses	44,493	250,608
Professional and consulting expenses	449,631	330,296
Research and development expense	691,001	1,382,592
General and administrative expenses	353,095	283,127
Impairment loss	-	43,671
Total operating expenses	2,063,736	2,910,996
LOSS FROM OPERATIONS	(2,063,736)	(2,910,996)
OTHER INCOME (EXPENSES):		
Interest income, net	2	10
Gain on initial consolidation of variable interest entities	-	42,737
Gain on deconsolidation of variable interest entities	107	-
Foreign currency loss	(12,965)	(102)
Total other income (expenses), net	(12,856)	42,645
NET LOSS	$ (2,076,592)	$ (2,868,351)
COMPREHENSIVE LOSS:		
Net loss	$ (2,076,592)	$ (2,868,351)
Other comprehensive loss:		
Unrealized foreign currency translation gain (loss)	12,965	(12,965)
Comprehensive loss	$ (2,063,627)	$ (2,881,316)
NET LOSS PER COMMON SHARE:		
Basic and diluted	$ (0.06)	$ (0.13)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:		
Basic and diluted	35,013,586	21,939,726

See accompanying notes to consolidated financial statements.

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	(Loss) Gain	Deficit	Deficit
Balance, December 31, 2022	-	$ -	12,000,000	$ 1,200	$ (1,200)	$ -	$ (1,122,636)	$ (1,122,636)
Issuance of common shares to Metabizz shareholders	-	-	8,000,000	800	(800)	-	-	-
Issuance of common shares to DatChat (Parent)	-	-	12,000,000	1,200	498,800	-	-	500,000
Accumulated other comprehensive loss	-	-	-	-	-	(12,965)	-	(12,965)
Net loss for the year	-	-	-	-	-	-	(2,868,351)	(2,868,351)
Balance, December 31, 2023	-	-	32,000,000	3,200	496,800	(12,965)	(3,990,987)	(3,503,952)
Sale of common stock for cash	-	-	3,247,326	325	973,873	-	-	974,198
Issuance of common shares for services	-	-	1,500,000	150	22,350	-	-	22,500
Issuance of common stock for asset acquisition	-	-	3,500,000	350	1,049,650	-	-	1,050,000
Accumulated other comprehensive gain	-	-	-	-	-	12,965	-	12,965
Net loss for the year	-	-	-	-	-	-	(2,076,592)	(2,076,592)
Balance, December 31, 2024	-	$ -	40,247,326	$ 4,025	$ 2,542,673	$ -	$ (6,067,579)	$ (3,520,881)

See accompanying notes to consolidated financial statements.

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (2,076,592)	$ (2,868,351)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	-	5,814
Amortization of stock-based professional fees	22,500	-
Gain from initial consolidation of variable interest entities	-	(42,737)
Impairment loss on property and equipment	-	43,671
Gain from deconsolidation of variable interest entities	(107)	-
Foreign currency loss	12,965	102
Shared expenses allocated from parent	585,192	682,735
Changes in operating assets and liabilities:		
Prepaid expenses	(14,288)	(2,668)
Accounts payable and accrued expenses	24,978	(21,855)
NET CASH USED IN OPERATING ACTIVITIES	(1,445,352)	(2,203,289)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(49,485)
Increase in cash from consolidation of variable interest entities	-	64,538
NET CASH PROVIDED BY INVESTING ACTIVITIES	-	15,053
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from related party advances - parent	893,914	1,708,155
Proceeds from sale of common stock	974,198	500,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,868,112	2,208,155
NET INCREASE IN CASH	422,760	19,919
Effect of exchange rate changes on cash	-	(12,965)
CASH - beginning of year	6,954	-
CASH - end of year	$ 429,714	$ 6,954
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	$ -	$ -
Income taxes	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Common stock issued to founders	$ -	$ 800
Common stock issued for services	$ 22,500	$ -
Acquisition of intangible assets for common stock	$ 1,050,000	$ -

See accompanying notes to consolidated financial statements.

NOTE 1 – ORGANIZATION

Organization

RPM Interactive, Inc. (collectively including the consolidated variable interest entities discussed below) (the "Company") was incorporated in the State of Nevada on June 16, 2022 under the name of SmarterVerse, Inc. On February 14, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "SmarterVerse, Inc." to "Dragon Interactive Corporation". On August 7, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "Dragon Interactive Corporation" to "Dragon Interact, Inc". On November 21, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "Dragon Interact, Inc." to "RPM Interactive, Inc".

On October 29, 2024 (the "Closing Date" and measurement date), the Company entered into and closed on a Share Exchange Agreement (the "Share Exchange Agreement") with (i) RPM Interactive, Inc., a Florida corporation incorporated of August 23, 2024 ("RPM Interactive Florida"); and (ii) the shareholders of RPM Interactive Florida. Pursuant to the Share Exchange Agreement, the Company acquired 100% of the shares of RPM Interactive Florida in exchange for 3,500,000 shares of the Company's common stock. RPM Florida is a web publishing company that leverages generative AI systems to offer consumers entertaining gaming apps and podcasting offerings in the sports, finance, entertainment and politics categories.

Prior to the acquisition of RPM Interactive Florida, the Company was a metaverse platform and privacy-first social network. Following the RPM Interactive Florida acquisition, the Company repositioned its business to be an AI generated publishing company of mobile games apps and vodcasts/podcasts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Company consolidates entities that are variable interest entities ("VIE") where the Company is determined to be the primary beneficiary. The Company's consolidated financial statements include the accounts of the RPM Interactive and VIE entities, Metabizz, LLC and Metabizz SAS through March 31, 2024, at which date the Metabizz VIE entities were deconsolidated. All intercompany accounts and transactions have been eliminated in consolidation.

The Company has historically operated as a subsidiary of DatChat. The consolidated financial statements of the Company are derived from the historical results of operations and historical cost bases of the assets and liabilities associated with Company, plus an allocation of certain expenses incurred by DatChat on its behalf. Certain expenses have been allocated to the Company from DatChat using the specific identification method and corporate overhead expenses were allocated using a proportional allocation method. This proportional allocation was based upon RPM Interactive's direct specifically identified expenses compared to the total DatChat consolidated expenses. Management believes that such an allocation method is reasonable. Management has determined that it is not practical to estimate what the allocated costs would have been had the Company operated as an unaffiliated entity on a stand-alone basis. Accordingly, the Company's financial position, results of operations and cash flow may have differed materially if the Company had operated as an unaffiliated standalone entity as of and for the periods presented.

The Company has calculated its income tax amounts using a separate return methodology and it has presented these amounts as if it were a separate taxpayer from DatChat for the periods presented.

The Company accounts for its noncontrolling interest in accordance with ASC Topic 810-10-45, which requires the Company to present noncontrolling interests as a separate component of total shareholders' equity on the consolidated balance sheets and the consolidated net loss attributable to its noncontrolling interest be clearly identified and presented on the face of the consolidated statements of operations. However, since Metabizz was consolidated as VIE's through March 31, 2024, any noncontrolling interest eliminated in consolidation. On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz, LLC and Metabizz SAS. During the three months ended March 31, 2024, the Company ceased doing business with Metabizz, LLC and Metabizz SAS and pays technology professionals directly.

Variable interest entities

Pursuant to *ASC 810-10-25-22*, an entity is defined as a VIE if it either lacks sufficient equity to finance its activities without additional subordinated financial support, or it is structured such that the holders of the voting rights do not substantively participate in the gains and losses of the entity. When determining whether an entity that meets the definition of a business qualifies for a scope exception from applying VIE guidance, the Company considers whether: (i) it has participated significantly in the design of the entity, (ii) it has provided more than half of the total financial support to the entity, and (iii) substantially all of the activities of the VIE are conducted on its behalf. A VIE is consolidated by its primary beneficiary, the party that has the power to direct the activities that most significantly impact the VIE's economic performance and has the right to receive benefits or the obligation to absorb losses of the entity that could be potentially significant to the VIE. The primary beneficiary assessment must be re-evaluated on an ongoing basis.

Based on the Company's analysis, on February 14, 2023, Metabizz was determined to be VIE entities in accordance with *ASC 810-10-25-22* because the equity owners in Metabizz did not have the characteristics of a controlling financial interest and the initial equity investments in these entities may be or are insufficient to meet or sustain its operations without additional subordinated financial support from the Company. The equity owners of Metabizz had only a nominal equity investment at risk, and the Company absorbed or received a majority of the entity's expected losses or benefits. The Company participated significantly in the design of Metabizz. The Company has provided working capital advances to Metabizz to allow Metabizz to fund its 100% of its daily obligations. All activities of Metabizz were conducted for the Company's benefit, as evidenced by the fact that the operations of Metabizz solely consisted of development of software and technologies to be used by the Company. The Company historically provided non-contractual support to Metabizz to pay employees and independent contractors who performed development services on behalf of the Company. Such support reduced our working capital and increased our net cash used in operations. Repayment of the working capital advances was not guaranteed by the equity owner of Metabizz and creditors of Metabizz do not have recourse against the Company. Accordingly, the Company was required to consolidate the assets, liabilities, revenues and expenses of Metabizz using the fair value method. Additionally, the managing partner of Metabizz was also the Chief Innovation Officer of the Company. Since Metabizz, LLC and Metabizz SAS were considered consolidated VIE's, any noncontrolling interest eliminated in consolidation.

In connection with the initial consolidation of Metabizz, on February 14, 2023 (the initial VIE consolidation date), the Company recorded a gain on initial consolidation of variable interest entities of $42,737. In connection with the deconsolidation of Metabizz, on March 31, 2024, the Company recorded a gain on deconsolidation of variable interest entities of $107.

On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz, LLC and Metabizz SAS. During the three months ended March 31, 2024, the Company ceased doing business with Metabizz, LLC and Metabizz SAS and will pay technology professionals directly. The Company has no further obligation to support Metabizz and has no exposure to any losses as a result of its involvement with Metabizz.

The Company's consolidated balance sheets included the following assets and liabilities from its VIEs:

	December 31, 2024	December 31, 2023	February 14, 2023
Cash	$ -	$ 5,862	$ 64,538
Total assets	$ -	$ 5,862	$ 64,538
Due to RPM Interactive (eliminates in consolidation)	$ -	$ 164,185	$ 21,801
Due to parent company – DatChat	-	859,561	-
Due to related parties	-	1,023,746	21,801
Total liabilities	$ -	$ 1,023,746	$ 21,801

For the years ended December 31, 2024 and 2023, a summary of results of operations and cash flows of the Company's VIEs is as follows:

Statements of Operations:	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Operating expenses	$ 10,265	$ 1,047,662
Loss from operations	(10,265)	(1,047,662)
Other income (expense):		
Gain of deconsolidation from Company (eliminates in consolidation)	1,070,885	-
Other (expense) income	(12,964)	6
Other income, net	1,057,921	6
Net income (loss)	$ 1,047,656	$ (1,047,656)

Statements of Cash Flows:	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
Net cash used in operations	$ (10,265)	$ (1,017,884)
Cash flows from financing activities - Proceeds from related party advances from RPM Interactive and Datchat	4,403	1,023,746
Net (decrease) increase in cash	$ (5,862)	$ 5,862

Going concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to raise additional capital to fund its research and development activities and meet its obligations on a timely basis. As reflected in the accompanying consolidated financial statements, the Company had a net loss of $2,076,592 for the year ended December 31, 2024. Net cash used in operations was $1,445,352 for the year ended December 31, 2024. Additionally, as of December 31, 2024, the Company had an accumulated deficit of $6,067,579 and a stockholders' deficit of $3,520,881 and has generated no revenues since inception. As of December 31, 2024, the Company had a working capital deficit of $4,570,881, including cash of $429,714. These factors raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the issuance date of this report. Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. The Company is seeking to raise capital through additional debt and/or equity financings to fund our operations in the future. Although the Company has historically been funded by DatChat and from the sale of the Company's common shares, there is no assurance that it will be able to continue to raise its own capital. If the Company is unable to raise additional capital or secure additional lending in the near future, management expects that the Company will need to curtail its operations. These consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Use of estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures at the date of the consolidated financial statements and during the reporting period. Actual results could materially differ from these estimates. Significant estimates include valuation of the purchase price for the purchase of internal-use software, assumptions used in assessing impairment of long-term assets, the valuation of internal-use software after initial purchase date, the valuation of deferred tax assets, the fair value of assets and liabilities of VIE's on the initial VIE consolidation date, the allocation of expenses, assets and liabilities from Datchat, and the fair value of non-cash equity transactions.

Concentrations

The Company has historically been primarily funded by DatChat.

Cash and cash equivalents

The Company considers all highly liquid debt instruments and other short-term investments with maturities of three months or less, when purchased, to be cash equivalents. The Company maintains cash and cash equivalent balances at financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company's account at this institution is insured by the FDIC up to $250,000. On December 31, 2024 and 2023, the Company had cash of $150,925 and $0 in excess of FDIC limits, respectively.

Fair value measurements and fair value of financial instruments

The carrying value of certain financial instruments, including cash, prepaid expenses, accounts payable and accrued expenses, and due to related party are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

The Company analyzes all financial instruments with features of both liabilities and equity under the Financial Accounting Standard Board's (the "FASB") accounting standard for such instruments. Under this standard, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset acquisitions

The Company evaluates acquisitions pursuant to ASC 805, "*Business Combinations*," to determine whether the acquisition should be classified as either an asset acquisition or a business combination. Acquisitions for which substantially all of the fair value of the gross assets acquired are concentrated in a single identifiable asset or a group of similar identifiable assets are accounted for as an asset acquisition. For asset acquisitions, the Company allocates the purchase price of these acquired assets on a relative fair value basis and capitalizes direct acquisition related costs as part of the purchase price. Acquisition costs that do not meet the criteria to be capitalized are expensed as incurred and presented in general and administrative costs in the unaudited consolidated statements of operations, if any.

Property and equipment

Property and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives, which range from three to five years. Leasehold improvements are depreciated over the shorter of the useful life or lease term including scheduled renewal terms. Maintenance and repairs are charged to expense as incurred. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income in the year of disposition. The Company examines the possibility of decreases in the value of these assets when events or changes in circumstances reflect the fact that their recorded value may not be recoverable.

Capitalized internal-use software costs

The Company capitalizes costs to develop or purchase internal-use software in accordance with ASC section 350-40, *Intangibles — Goodwill and Other — Internal-Use Software*. Costs incurred to develop internal-use software are expensed as incurred during the preliminary project stage. Internal-use software development costs are capitalized upon purchase and during the application development stage, which is after: (i) the preliminary project stage is completed; and (ii) management authorizes and commits to funding the project and it is probable the project will be completed and used to perform the functions intended. Capitalization ceases at the point the software project is substantially complete and ready for its intended use, and after all substantial testing is completed. Upgrades and enhancements are capitalized if it is probable that those expenditures will result in additional functionality. Amortization is provided for on a straight-line basis over the expected useful life of the internal-use software development costs and related upgrades and enhancements. When existing software is replaced with new software, the unamortized costs of the old software are expensed when the new software is ready for its intended use. During the years ended December 31, 2024 and 2023, software development costs incurred internally, other than purchased software, were expensed since the Company's software development projects were in the preliminary project stage. Such costs were included in research and development costs on the accompanying consolidated statement of operations.

Impairment of long-lived assets

In accordance with ASC Topic 360, the Company reviews long-lived assets, including internal-use software, for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable, or at least annually. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value.

Revenue recognition

The Company recognizes revenue in accordance with ASC Topic 606 Revenue from Contracts with Customers, which requires revenue to be recognized in a manner that depicts the transfer of goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services.

In accordance with ASU Topic 606 - *Revenue from Contracts with Customers*, the Company recognizes revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company shall generate revenue from the sale of in-game items to its customers. Revenue generated from such sales, primarily through the app stores, such as Google Play Store or Apple App Store, is recognized upon delivery of the in-game items to the customer, which is when the Company completes its sole performance obligation.

Research and Development

Research and development costs incurred in the development of the Company's products are expensed as incurred and include costs such as outside development costs, salaries and other allocated costs incurred. During the years ended December 31, 2024 and 2023, research and development costs incurred in the development of the Company's software products were $691,001 and $1,382,592, respectively. Research and development costs are included in research and development expense on the accompanying consolidated statements of operations.

Advertising Costs

The Company applies ASC 720 "Other Expenses" to account for advertising related costs. Pursuant to ASC 720-35-25-1, the Company expenses the advertising costs as they are incurred. Advertising costs were $44,493 and $250,608 for the years ended December 31, 2024 and 2023, respectively, and are included in marketing and advertising expenses on the consolidated statements of operations.

Income taxes

The Company accounts for income taxes pursuant to the provision of Accounting Standards Codification ("ASC") 740-10, "Accounting for Income Taxes" ("ASC 740-10"), which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the consolidated financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more likely than not recognition threshold are measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, "Definition of Settlement", which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

Stock-based compensation

Stock-based compensation is accounted for based on the requirements of ASC 718 – *"Compensation–Stock Compensation*", which requires recognition in the consolidated financial statements of the cost of employee, non-employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award. The Company has elected to account for forfeitures as they occur.

Foreign currency translation

The reporting currency of the Company is the U.S. dollar. Except for Metabizz SAS, the functional currency of the Company is the U.S. dollar. The functional currency of the Company's VIE, Metabizz SAS, is the Columbian Peso ("COP"). For Metabizz SAS, results of operations and cash flows are translated at average exchange rates during the period, assets and liabilities are translated at the unified exchange rate at the end of the period, and equity is translated at historical exchange rates. As a result, amounts relating to assets and liabilities reported on the statements of cash flows may not necessarily agree with the changes in the corresponding balances on the balance sheets. Translation adjustments resulting from the process of translating the local currency financial statements into U.S. dollars are included in determining comprehensive loss. The cumulative translation adjustment and effect of exchange rate changes on cash for the years ended December 31, 2024 and 2023 was $0 and $12,965, respectively. Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates. Assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the balance sheet date with any transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency included in the results of operations as incurred. On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz SAS (See Note 1).

For Metabizz SAS, which is located in Columbia, asset and liability accounts on December 31, 2023 were translated at 0.0002582 COP to $1.00, which was the exchange rate on the balance sheet date, and results of operations and cash flows are translated at the average exchange rates during the period of 0.00023415 COP to $1.00.

Basic and diluted net loss per share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares during the period. Diluted net loss per share is computed using the weighted average number of common shares and potentially dilutive securities outstanding during the period. As of December 31, 2024 and December 31, 2023, the Company had no common stock equivalents.

Segment reporting

The Company operates as a single operating segment as a technology-based company that is developing social media applications and technologies. In accordance with ASC 280 – "Segment Reporting", the Company's chief operating decision maker has been identified as the Chief Executive Officer, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. Existing guidance, which is based on a management approach to segment reporting, establishes requirements to report selected segment information quarterly and to report annually entity-wide disclosures about products and services, major customers, and the countries in which the entity holds material assets and reports revenue. All material operating units qualify for aggregation under "Segment Reporting" due to their similarities in economic characteristics such as nature of services; and procurement processes. All revenues and expenses as reflected in the accompanying consolidated statements of operations and comprehensive loss are allocated to the one segment. The Company's single operating segment includes all of the Company's assets and liabilities as reflected in the accompanying consolidated balance sheets.

Recent accounting pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires entities to provide more detailed disaggregation of expenses in the income statement, focusing on the nature of the expenses rather than their function. The new disclosures will require entities to separately present expenses for significant line items, including but not limited to, depreciation, amortization, and employee compensation. Entities will also be required to provide a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, disclose the total amount of selling expenses and, in annual reporting periods, provide a definition of what constitutes selling expenses. This pronouncement is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company does not expect the adoption of this new guidance to have a material impact on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on its consolidated financial statements.

NOTE 3 – INTERNAL-USE SOFTWARE

As of December 31, 2024 and 2023, internal-use software consists of the following:

	Useful Life (Years)	December 31, 2024	December 31, 2023
Internal-use software	3 Years	$ 1,050,000	$ -
Less accumulated amortization		-	-
Internal-use software, net		$ 1,050,000	$ -

On October 29, 2024 (the "Closing Date" and measurement date), the Company entered into and closed on a Share Exchange Agreement (the "Share Exchange Agreement") with (i) RPM Florida and (ii) the shareholders of RPM Florida (See Note 1). Pursuant to the Share Exchange Agreement, the Company acquired 100% of the shares of RPM Florida in exchange for 3,500,000 shares of the Company's common stock. RPM Florida is a web publishing company that leverages generative AI systems to offer consumers entertaining gaming apps and podcasting offerings in the sports, finance, entertainment and politics categories. These shares were valued at $1,050,000, or $0.30 per share, on the measurement date based on recent sales of shares of the Company's common stock. Pursuant to ASU 2017-01 and ASC 805, the Company analyzed the Exchange Agreement and the business of RPM Florida to determine if the Company acquired a business or acquired assets. Other than owning certain in-development internal-use software, RPM Florida had no operations or employees and was not considered a business. No goodwill was recorded since the Exchange Agreement was accounted for as an asset purchase. In accordance with ASC 805, the fair value of the assets acquired is based on either the fair value of the consideration given or the fair value of the assets acquired, whichever is more clearly evident, and thus, more reliably measurable. The Company used the market price of the 3,500,000 common shares issued of $1,050,000 as the fair value of the assets acquired since this value was more clearly evident, and thus, more reliable measurable than the fair value of the assets. This acquisition was treated as an asset acquisition under ASC 805 "*Business Combinations"* since RPM Florida did not meet the definition of a business under ASC 805. ASC 805 requires the use of the relative fair value method for asset acquisitions to allocate the purchase price, however, since only a single internal-use software asset was acquired, the entire purchase price shall be allocated to this asset.

For the years ended December 31, 2024 and 2023, amortization of intangible assets amounted to $0. The internal-use software has not yet been placed in service as of December 31, 2024.

NOTE 4 – RELATED PARTY TRANSACTIONS

Relationship with DatChat, Inc. and Due to Related Party

The Company was formed in June 2022 by DatChat, Inc., a Nevada corporation ("DatChat") and since then has operated as a consolidated subsidiary of DatChat. Darin Myman, DatChat's Chief Executive Officer and Chairman also serves as the Company's President and until January 2025 was its sole director. Since the Company's formation, DatChat has been the Company's primary source of financial support. In January 2025, due to changes in DatChat's business plans, , DatChat determined it was in the best interest of both DatChat and the Company to operate separately. In its effort to build a separate management team, DatChat agreed to cancel 3,500,000 shares of the Company that DatChat held as an investment to have Michael Mathews, the prior owner of RPM Florida, join the Company's board and serve as the Company's Chief Executive Officer. In January 2025, DatChat cancelled the 3,500,000 and currently owns approximately 34% of the Company's common stock. DatChat is not currently providing financial support to the Company and there is no agreement for DatChat to provide any operational funding in the future. The Company is currently in discussions with DatChat regarding settlement of the amounts due to DatChat as discussed below.

During the years ended December 31, 2024 and 2023, DatChat provided advances to the Company for working capital purposes. During the years ended December 31, 2024 and 2023, DatChat advanced the Company $893,914 and $1,708,155, respectively. Additionally, based on DatChat management's estimates, during the years ended December 31, 2024 and 2023, DatChat allocated shared expenses to the Company in the amounts of $585,192 and $682,735, respectively (See Note 2 – Basis of Presentation). On December 31, 2024 and 2023, the Company had a payable to DatChat of $4,990,706 and $3,511,600, respectively, which is presented as due to related party on the consolidated balance sheets. These advances are short-term in nature, non-interest bearing, and due on demand.

Research and Development

On July 19, 2022, the Company entered into a software development agreement with Metabizz. On February 14, 2023, the Company began consolidating Metabizz as VIEs. For the period from January 1, 2023 to date of consolidation (February 14, 2023), the Company paid Metabizz $185,600 for software development services which is included in research and development expense on the accompanying consolidated statements of operations.

Other

On January 10, 2024, VR Interactive LLC ("VR Interactive"), a company 45% owned by Darin Myman, the Company's president and director, purchased 8,000,000 shares of RPM Interactive from the Metabizz shareholders for cash amounting to $120,000. Mr. Myman is a partner in VR Interactive. Accordingly, as of January 10, 2024, VR Interactive, was considered a related party. In October 2024, VR Interactive distributed all of its RPM Interactive shares to its members and is no longer considered to be a related party.

In November 2024, we entered into a consulting agreement with Michael Mathews II, the son of our current Chairman pursuant to which we agreed to pay him $3,000 per month and we paid him $3,000 in 2024 under this agreement. The agreement is month-to-month. Mr. Matthews II is providing product management services to us, interfacing with the third-party technical development firms.

NOTE 5 – STOCKHOLDERS' EQUITY

Shares Authorized

The authorized capital stock consists of 200,000,000 shares, of which 180,000,000 are shares of common stock and 20,000,000 are shares of preferred stock.

Common Stock

2023

On February 14, 2023, the Company entered into a subscription agreement with Metabizz, LLC. In connection with the subscription agreement, the Company sold Metabizz, LLC 8,000,000 shares of its common stock for nominal consideration, which was 40% of the issued and outstanding common shares of the Company.

On October 2, 2023, the Company issued DatChat an additional 12,000,000 shares of its common stock for $500,000.

2024

On January 25, 2024, the Company entered into a 9-month consulting agreement with an individual for business development, financial and market due diligence services to be rendered over the term of the agreement. In connection with this consulting agreement, the Company issued 1,500,000 of its shares for services to be rendered. The shares were valued at $22,500, or $0.015 per share, based on the sale of the Company's shares in a private transaction, which was amortized into professional fees over the term of the agreement. During the year ended December 31, 2024, the Company recorded stock-based professional fees of $22,500.

On April 3, 2024, the Company entered into a Securities Purchase Agreement with an institutional and accredited investor, pursuant to which the Company agreed to sell an aggregate of 120,000 shares of the Company's common stock for an aggregate purchase price of $36,000, or $0.30 per share.

On May 31, 2024, the Company entered into a Securities Purchase Agreement with an institutional and accredited investor, pursuant to which the Company agreed to sell an aggregate of 666,660 shares of the Company's common stock for an aggregate purchase price of $199,998, or $0.30 per share.

On August 8, 2024, DatChat transferred 8,000,000 of its shares held in the Company to a third party as consideration for an asset purchase. The transfer reduced DatChat's interest in the Company to approximately 46%.

In September 2024, the Company entered into Securities Purchase Agreements with institutional and accredited investors, pursuant to which the Company agreed to sell an aggregate of 866,666 shares of the Company's common stock for an aggregate purchase price of $260,000, or $0.30 or share.

During October and November 2024, the Company entered into a Securities Purchase Agreement with investors pursuant to which RPM Interactive agreed to sell an aggregate of 1,594,000 shares of the Company's common stock for an aggregate purchase price of $478,200, or $0.30 per share.

On October 29, 2024 (the "Closing Date" and measurement date), the Company entered into and closed on a Share Exchange Agreement (the "Share Exchange Agreement") with (i) RPM Interactive Florida; and (ii) the shareholders of RPM Interactive Florida. Pursuant to the Share Exchange Agreement, the Company acquired 100% of the shares of RPM Interactive Florida in exchange for 3,500,000 shares of the Company's common stock. These shares were valued at $1,050,000, or $0.30 per share, on the measurement date based on recent sales of shares of the Company's common stock (see Note 3).

NOTE 6 – INCOME TAXES

The Company maintains deferred tax assets and liabilities that reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The deferred tax assets on December 31, 2024 and 2023 consist of net operating loss carryforwards. The net deferred tax asset has been fully offset by a valuation allowance because of the uncertainty of the attainment of future taxable income.

The Company has calculated its income tax amounts using a separate return methodology and it has presented these amounts as if it were a separate taxpayer from DatChat for the periods presented. Income taxes as presented in the Company's consolidated financial statements have been allocated in a manner that is systematic, rational, and consistent with the broad principles of ASC 740. Historically, the Company's operations have been included in DatChat's U.S. federal consolidated tax return and certain state tax returns. For the purposes of these consolidated financial statements, the Company's income tax provision was computed as if the Company filed separate tax returns (i.e., as if the Company had not been included in the consolidated income tax return group with DatChat). The separate return method applies ASC 740 to the consolidated financial statements of each member of a consolidated tax group as if the group member were a separate taxpayer. As a result, actual tax transactions included in the consolidated financial statements of DatChat may not be included in these consolidated financial statements. Further, the Company's tax results as presented in the consolidated financial statements may not be reflective of the results that the Company expects to generate in the future. Also, the tax treatment of certain items reflected in the consolidated financial statements may not be reflected in the consolidated financial statements and tax returns of DatChat. It is conceivable that items such as net operating losses, other deferred taxes, uncertain tax positions and valuation allowances may exist in the consolidated financial statements that may or may not exist in DatChat's consolidated financial statements.

The Company has incurred aggregate net operating losses of approximately $6.074.958 and $4,033,724 for income tax purposes for the years ended December 31, 2024 and 2023, respectively. The net operating losses carry forward for United States income taxes, which may be available to reduce future years' taxable income. Management believes that the realization of the benefits from these losses appears unlikely due to the Company's limited operating history and continuing losses for United States income tax purposes. Accordingly, the Company has provided a 100% valuation allowance on the deferred tax asset resulting from the net operating losses to reduce the asset to zero. Management reviews this valuation allowance periodically and make adjustments as necessary.

The items accounting for the difference between income taxes at the effective statutory rate and the provision for income taxes for the years ended December 31, 2024 and 2023 were as follows:

	Year Ended December 31, 2024	Year Ended December 31, 2023
Income tax benefit at U.S. statutory rate	$ (436,084)	$ (602,354)
Income tax benefit – State	(103,830)	(143,418)
Permanent differences	9,193	(11,111)
Change in valuation allowance	530,721	756,883
Total provision for income tax	$ -	$ -

The Company's approximate net deferred tax asset on December 31, 2024 and 2023 was as follows:

Deferred Tax Asset:	December 31, 2024	December 31, 2023
Net operating loss carryforward	$ 1,579,489	$ 1,048,768
Valuation allowance	(1,579,489)	(1,048,768)
Net deferred tax asset	$ -	$ -

The Company provided a valuation allowance equal to the deferred income tax asset for the years ended December 31, 2024 and 2023 because it was not known whether future taxable income will be sufficient to utilize the loss carryforward. The increase in the allowance was $530,721 and $756,883 for the years ended December 31, 2024 and 2023, respectively.

The Company does not have any uncertain tax positions or events leading to uncertainty in a tax position. The Company's 2024, 2023 and 2022 Corporate Income Tax Returns are subject to Internal Revenue Service examination as part of DatChat's Corporate Income Tax Returns.

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated events subsequent to the balance sheet date through April xx, 2025 the date these consolidated financial statements were available to be issued.

Cancellation of common shares

In January 2025, in connection with the Company's contemplated initial public offering, DatChat returned 3,500,000 shares of the Company's common stock to the Company, which were cancelled. There was no accounting effect of this cancellation other than a reduction of the par value of these shares with an offset to additional paid-in capital.

Exhibit 99.3

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2025 and 2024
(Unaudited)

CONTENTS

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED BALANCE SHEETS

	September 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash	$ 22,587	$ 429,714
Prepaid expenses	1,689	16,956
Total Current Assets	24,276	446,670
NON-CURRENT ASSETS:		
Deferred offering costs	152,500	-
Capitalized internal-use software, net	1,231,626	1,050,000
Total Non-current Assets	1,384,126	1,050,000
Total Assets	$ 1,408,402	$ 1,496,670
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Notes payable	$ 40,000	$ -
Accounts payable and accrued expenses	149,622	26,845
Due to related party - parent (See Note A below)	5,224,288	4,990,706
Total Current Liabilities	5,413,910	5,017,551
Total Liabilities	5,413,910	5,017,551
STOCKHOLDERS' DEFICIT:		
Preferred stock ($0.0001 par value; 20,000,000 shares authorized, no shares issued and outstanding)		
Common stock ($0.0001 par value; 180,000,000 shares authorized; 36,747,326 and 40,247,326 shares issued and outstanding on September 30, 2025 and December 31, 2024, respectively)	3,675	4,025
Additional paid-in capital	2,543,023	2,542,673
Accumulated deficit	(6,552,206)	(6,067,579)
Total Stockholders' Deficit	(4,005,508)	(3,520,881)
Total Liabilities and Stockholders' Deficit	$ 1,408,402	$ 1,496,670

See accompanying notes to unaudited consolidated financial statements

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
NET REVENUES	$ -	$ -	$ -	$ -
OPERATING EXPENSES:				
Compensation and related expenses	12,817	75,726	82,508	455,457
Marketing and advertising expenses	3,548	11,912	21,093	37,134
Professional and consulting expenses	465	88,847	262,022	268,996
Research and development expense	-	196,854	11,000	656,781
General and administrative expenses	28,553	58,096	107,912	292,037
Total operating expenses	45,383	431,435	484,535	1,710,405
LOSS FROM OPERATIONS	(45,383)	(431,435)	(484,535)	(1,710,405)
OTHER INCOME (EXPENSES):				
Interest income, net	(92)	-	(92)	2
Gain on deconsolidation of variable interest entities	-	-	-	(12,858)
Foreign currency exchange loss	-	-	-	-
Total other income, net	(92)	-	(92)	(12,856)
NET LOSS	$ (45,475)	$ (431,435)	$ (484,627)	$ (1,723,261)
COMPREHENSIVE LOSS:				
Net loss	$ (45,475)	$ (431,435)	$ (484,627)	$ (1,723,261)
Other comprehensive gain:				
Unrealized foreign currency translation gain	-	12,965	-	12,965
Comprehensive loss	$ (45,475)	$ (418,470)	$ (484,627)	$ (1,710,296)
NET LOSS PER COMMON SHARE:				
Basic and diluted	$ -	$ (0.01)	$ (0.01)	$ (0.05)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:				
Basic and diluted	36,747,326	34,409,305	36,926,813	33,779,985

See accompanying notes to unaudited consolidated financial statements.

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Gain (Loss)	Deficit	Deficit
Balance, December 31, 2024	-	$ -	40,247,326	$ 4,025	$ 2,542,673	$ -	$ (6,067,579)	$ (3,520,881)
Cancellation of common shares held by parent	-	-	(3,500,000)	(350)	350	-	-	-
Net loss for the period	-	-	-	-	-	-	(226,486)	(226,486)
Balance, March 31, 2025	-	-	36,747,326	3,675	2,543,023	-	(6,294,065)	(3,747,367)
Net loss for the period	-	-	-	-	-	-	(212,666)	(212,666)
Balance, June 30, 2025	-	-	36,747,326	3,675	2,543,023	-	(6,506,731)	(3,960,033)
Net loss for the period	-	-	-	-	-	-	(45,475)	(45,475)
Balance, September 30, 2025	-	$ -	36,747,326	$ 3,675	$ 2,543,023	$ -	$ (6,552,206)	$ (4,005,508)

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Gain (Loss)	Deficit	Deficit
Balance, December 31, 2023	-	$ -	32,000,000	$ 3,200	$ 496,800	$ (12,965)	$ (3,990,987)	$ (3,503,952)
Issuance of common shares for services	-	-	1,500,000	150	22,350	-	-	22,500
Unrealized foreign currency translation gain	-	-	-	-	-	12,965	-	12,965
Net loss for the period	-	-	-	-	-	-	(730,909)	(730,909)
Balance, March 31, 2024	-	-	33,500,000	3,350	519,150	-	(4,721,896)	(4,199,396)
Issuance of common shares for cash	-	-	786,660	78	235,919	-	-	235,997
Net loss for the period	-	-	-	-	-	-	(560,917)	(560,917)
Balance, June 30, 2024	-	-	34,286,660	3,428	755,069	-	(5,282,813)	(4,524,316)
Issuance of common shares for cash	-	-	866,666	87	259,914	-	-	260,001
Net loss for the period	-	-	-	-	-	-	(431,435)	(431,435)
Balance, September 30, 2024	-	$ -	35,153,326	$ 3,515	$ 1,014,983	$ -	$ (5,714,248)	$ (4,695,750)

See accompanying notes to unaudited consolidated financial statements.

RPM INTERACTIVE, INC. AND CONSOLIDATED ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended September 30,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (484,627)	$ (1,723,261)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of stock-based professional fees	-	20,089
Amortization expense	9,212	-
Gain on deconsolidation of variable interest entities	-	(107)
Foreign currency exchange loss	-	12,965
Shared expenses allocated from parent	176,214	487,403
Changes in operating assets and liabilities:		
Prepaid expenses	15,267	(26,938)
Accounts payable and accrued expenses	2,777	15,355
NET CASH USED IN OPERATING ACTIVITIES	(281,157)	(1,214,494)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in intangible assets - capitalization of internal-use software	(190,838)	-
NET CASH USED IN INVESTING ACTIVITIES	(190,838)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	-	495,998
Proceeds from notes payable	40,000	-
Proceeds from related party advances - parent	57,368	859,513
Payment of deferred offering costs	(32,500)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	64,868	1,355,511
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(407,127)	141,017
CASH AND CASH EQUIVALENTS - beginning of period	429,714	6,954
CASH AND CASH EQUIVALENTS - end of period	$ 22,587	$ 147,971
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	$ -	$ -
Income taxes	$ -	$ -
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Increase in deferred offering costs in accounts payable	$ 120,000	$ -
Common stock issued for services		$ 22,500
Cancellation of common shares held by parent	$ 350	$ -

See accompanying notes to unaudited consolidated financial statements.

NOTE 1 – ORGANIZATION

Organization

RPM Interactive, Inc. (collectively including the consolidated variable interest entities discussed below) (the "Company") was incorporated in the State of Nevada on June 16, 2022 under the name of SmarterVerse, Inc. On February 14, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "SmarterVerse, Inc." to "Dragon Interactive Corporation". On August 7, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "Dragon Interactive Corporation" to "Dragon Interact, Inc". On November 21, 2024, the Company filed a Certificate of Amendment with the State of Nevada to change its name from "Dragon Interact, Inc." to "RPM Interactive, Inc".

On October 29, 2024 (the "Closing Date" and measurement date), the Company entered into and closed on a Share Exchange Agreement (the "Share Exchange Agreement") with (i) RPM Interactive, Inc., a Florida corporation incorporated of August 23, 2024 ("RPM Florida"); and (ii) the shareholders of RPM Florida. Pursuant to the Share Exchange Agreement, the Company acquired 100% of the shares of RPM Florida in exchange for 3,500,000 shares of the Company's common stock. RPM Florida is a web publishing company that leverages generative AI systems to offer consumers entertaining gaming apps and podcasting offerings in the sports, finance, entertainment and politics categories.

Prior to the acquisition of RPM Florida, the Company was a metaverse platform and privacy-first social network. Following the RPM Florida acquisition, the Company repositioned its business to be an AI generated publishing company of mobile games apps and vodcasts/podcasts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Management acknowledges its responsibility for the preparation of the accompanying unaudited condensed consolidated financial statements which reflect all adjustments, consisting of normal recurring adjustments, considered necessary in its opinion for a fair statement of its financial position and the results of its operations for the periods presented. The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (the "U.S. GAAP") for interim financial information and with the instructions Article 8-03 of Regulation S-X. Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole.

Certain information and note disclosure normally included in financial statements prepared in accordance with U.S. GAAP has been condensed or omitted from these statements pursuant to such accounting principles and, accordingly, they do not include all the information and notes necessary for comprehensive financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the summary of significant accounting policies and notes to the consolidated financial statements of the Company for the years ended December 31, 2024 and 2023.

The Company consolidates entities that are variable interest entities ("VIE") where the Company is determined to be the primary beneficiary. The Company's consolidated financial statements include the accounts of the RPM Interactive and VIE entities, Metabizz, LLC and Metabizz SAS through March 31, 2024, at which date the Metabizz VIE entities were deconsolidated. All intercompany accounts and transactions have been eliminated in consolidation.

The Company has historically operated as a subsidiary of Myseum. The consolidated financial statements of the Company are derived from the historical results of operations and historical cost bases of the assets and liabilities associated with Company, plus an allocation of certain expenses incurred by Myseum on its behalf. Certain expenses have been allocated to the Company from Myseum using the specific identification method and corporate overhead expenses were allocated using a proportional allocation method. This proportional allocation was based upon RPM Interactive's direct specifically identified expenses compared to the total Myseum consolidated expenses. Management believes that such an allocation method is reasonable. Management has determined that it is not practical to estimate what the allocated costs would have been had the Company operated as an unaffiliated entity on a stand-alone basis. Accordingly, the Company's financial position, results of operations and cash flow may have differed materially if the Company had operated as an unaffiliated standalone entity as of and for the periods presented.

The Company has calculated its income tax amounts using a separate return methodology and it has presented these amounts as if it were a separate taxpayer from Myseum for the periods presented.

The Company accounts for its noncontrolling interest in accordance with ASC Topic 810-10-45, which requires the Company to present noncontrolling interests as a separate component of total shareholders' equity on the consolidated balance sheets and the consolidated net loss attributable to its noncontrolling interest be clearly identified and presented on the face of the consolidated statements of operations. However, since Metabizz was consolidated as VIE's through March 31, 2024, any noncontrolling interest eliminated in consolidation. On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz, LLC and Metabizz SAS. During the three months ended March 31, 2024, the Company ceased doing business with Metabizz, LLC and Metabizz SAS and pays technology professionals directly.

Variable interest entities

Pursuant to *ASC 810-10-25-22*, an entity is defined as a VIE if it either lacks sufficient equity to finance its activities without additional subordinated financial support, or it is structured such that the holders of the voting rights do not substantively participate in the gains and losses of the entity. When determining whether an entity that meets the definition of a business qualifies for a scope exception from applying VIE guidance, the Company considers whether: (i) it has participated significantly in the design of the entity, (ii) it has provided more than half of the total financial support to the entity, and (iii) substantially all of the activities of the VIE are conducted on its behalf. A VIE is consolidated by its primary beneficiary, the party that has the power to direct the activities that most significantly impact the VIE's economic performance and has the right to receive benefits or the obligation to absorb losses of the entity that could be potentially significant to the VIE. The primary beneficiary assessment must be re-evaluated on an ongoing basis.

Based on the Company's analysis, on February 14, 2023, Metabizz was determined to be VIE entities in accordance with *ASC 810-10-25-22* because the equity owners in Metabizz did not have the characteristics of a controlling financial interest and the initial equity investments in these entities may be or are insufficient to meet or sustain its operations without additional subordinated financial support from the Company. The equity owners of Metabizz had only a nominal equity investment at risk, and the Company absorbed or received a majority of the entity's expected losses or benefits. The Company participated significantly in the design of Metabizz. The Company provided working capital advances to Metabizz to allow Metabizz to fund its 100% of its daily obligations. All activities of Metabizz were conducted for the Company's benefit, as evidenced by the fact that the operations of Metabizz solely consisted of development of software and technologies to be used by the Company. The Company historically provided non-contractual support to Metabizz to pay employees and independent contractors who performed development services on behalf of the Company. Such support reduced our working capital and increased our net cash used in operations. Repayment of the working capital advances was not guaranteed by the equity owner of Metabizz and creditors of Metabizz do not have recourse against the Company. Accordingly, the Company was required to consolidate the assets, liabilities, revenues and expenses of Metabizz using the fair value method. Additionally, the managing partner of Metabizz was also the Chief Innovation Officer of the Company. Since Metabizz, LLC and Metabizz SAS were considered consolidated VIE's, any noncontrolling interest eliminated in consolidation.

In connection with the deconsolidation of Metabizz, on March 31, 2024, the Company recorded a gain on deconsolidation of variable interest entities of $107.

On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz, LLC and Metabizz SAS. During the three months ended March 31, 2024, the Company ceased doing business with Metabizz, LLC and Metabizz SAS and paid technology professionals directly. The Company has no further obligation to support Metabizz and has no exposure to any losses as a result of its involvement with Metabizz.

As of June 30 2025 and December 31, 2024, the Company's consolidated balance sheets did not include any assets or liabilities from VIEs.

For the nine months ended September 30, 2025 and 2024, a summary of results of operations and cash flows of the Company's VIEs is as follows:

	For the Nine Months Ended September 30,	
Statements of Operations:	**2025**	**2024**
Operating expenses	$ -	$ 10,265
Loss from operations	-	(10,265)
Other income (expense):		
Gain of deconsolidation from Company (eliminates in consolidation)	-	1,070,885
Other expense	-	(12,964)
Other income, net	-	1,057,921
Net income	$ -	$ 1,047,656

	For the Nine Months Ended September 30,	
Statements of Cash Flows:	**2025**	**2024**
Net cash used in operations	$ -	$ (10,265)
Cash flows from financing activities - Proceeds from related party advances from RPM Interactive and Myseum	-	4,403
Net decrease in cash	$ -	$ (5,862)

Going concern

The accompanying unaudited consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to raise additional capital to fund its research and development activities and meet its obligations on a timely basis. As reflected in the accompanying unaudited consolidated financial statements, the Company had a net loss of $484,627 for the nine months ended September 30, 2025. Net cash used in operations was $290,369 for the nine months ended September 30, 2025. Additionally, as of September 30, 2025, the Company had an accumulated deficit of $6,552,206 and a stockholders' deficit of 4,005,508 and has generated no revenues since inception. As of September 30, 2025, the Company had a working capital deficit of $5,389,634, including cash of $22,587. These factors raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the issuance date of this report. Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive or raise additional debt and/or equity capital. The Company is seeking to raise capital through additional debt and/or equity financings to fund our operations in the future. Although the Company has historically been funded by Myseum and from the sale of the Company's common shares, there is no assurance that it will be able to continue to raise its own capital. If the Company is unable to raise additional capital or secure additional lending in the near future, management expects that the Company will need to curtail its operations. These unaudited consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Use of estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures at the date of the consolidated financial statements and during the reporting period. Actual results could materially differ from these estimates. Significant estimates include valuation of the purchase price for the purchase of internal-use software, assumptions used in assessing impairment of long-term assets, the valuation of internal-use software after initial purchase date, the valuation of deferred tax assets, the allocation of expenses, assets and liabilities from Myseum, and the fair value of non-cash equity transactions.

Concentrations

The Company has historically been primarily funded by Myseum.

Cash and cash equivalents

The Company considers all highly liquid debt instruments and other short-term investments with maturities of three months or less, when purchased, to be cash equivalents. The Company maintains cash and cash equivalent balances at financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company's account at this institution is insured by the FDIC up to $250,000. On September 30, 2025 and December 31, 2024, the Company had cash of $0 and $150,925 in excess of FDIC limits, respectively.

Fair value measurements and fair value of financial instruments

The carrying value of certain financial instruments, including cash, prepaid expenses, accounts payable and accrued expenses, and due to related party are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

The Company analyzes all financial instruments with features of both liabilities and equity under the Financial Accounting Standard Board's (the "FASB") accounting standard for such instruments. Under this standard, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset acquisitions

The Company evaluates acquisitions pursuant to ASC 805, "*Business Combinations*," to determine whether the acquisition should be classified as either an asset acquisition or a business combination. Acquisitions for which substantially all of the fair value of the gross assets acquired are concentrated in a single identifiable asset or a group of similar identifiable assets are accounted for as an asset acquisition. For asset acquisitions, the Company allocates the purchase price of these acquired assets on a relative fair value basis and capitalizes direct acquisition related costs as part of the purchase price. Acquisition costs that do not meet the criteria to be capitalized are expensed as incurred and presented in general and administrative costs in the unaudited consolidated statements of operations, if any.

Property and equipment

Property and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives, which range from three to five years. Leasehold improvements are depreciated over the shorter of the useful life or lease term including scheduled renewal terms. Maintenance and repairs are charged to expense as incurred. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income in the year of disposition. The Company examines the possibility of decreases in the value of these assets when events or changes in circumstances reflect the fact that their recorded value may not be recoverable.

Capitalized internal-use software costs

The Company capitalizes costs to develop or purchase internal-use software in accordance with ASC section 350-40, *Intangibles — Goodwill and Other — Internal-Use Software*. Costs incurred to develop internal-use software are expensed as incurred during the preliminary project stage. Internal-use software development costs are capitalized upon purchase and during the application development stage, which is after: (i) the preliminary project stage is completed; and (ii) management authorizes and commits to funding the project and it is probable the project will be completed and used to perform the functions intended. Capitalization ceases at the point the software project is substantially complete and ready for its intended use, and after all substantial testing is completed. Upgrades and enhancements are capitalized if it is probable that those expenditures will result in additional functionality. Amortization is provided for on a straight-line basis over the expected useful life of the internal-use software development costs and related upgrades and enhancements. When existing software is replaced with new software, the unamortized costs of the old software are expensed when the new software is ready for its intended use.

Impairment of long-lived assets

In accordance with ASC Topic 360, the Company reviews long-lived assets, including internal-use software, for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable, or at least annually. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value.

Deferred offering costs

The Company has capitalized certain offering costs related to its efforts to raise capital through an anticipated initial public offering of the Company's shares of $152,500. Deferred offering costs will be deferred until the completion of the initial public offering, at which time they will be reclassified to additional paid-in capital as a reduction of the offering proceeds. As of September 30, 2025 and December 31, 2024, capitalized deferred offering costs amounted to $152,500 and $0, respectively, which is reflected deferred offering costs on the accompanying unaudited consolidated balance sheets.

Revenue recognition

The Company recognizes revenue in accordance with ASC Topic 606 Revenue from Contracts with Customers, which requires revenue to be recognized in a manner that depicts the transfer of goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services.

In accordance with ASU Topic 606 - *Revenue from Contracts with Customers*, the Company recognizes revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company shall generate revenue from the sale of in-game items to its customers. Revenue generated from such sales, primarily through the app stores, such as Google Play Store or Apple App Store, is recognized upon delivery of the in-game items to the customer, which is when the Company completes its sole performance obligation.

Research and Development

Research and development costs incurred in the development of the Company's products are expensed as incurred and include costs such as outside development costs, salaries and other allocated costs incurred. During the nine months ended September 30, 2025 and 2024, research and development costs incurred in the development of the Company's software products were $11,000 and $656,781, respectively. Research and development costs are included in research and development expense on the accompanying unaudited consolidated statements of operations and comprehensive loss.

Advertising Costs

The Company applies ASC 720 "Other Expenses" to account for advertising related costs. Pursuant to ASC 720-35-25-1, the Company expenses the advertising costs as they are incurred. Advertising costs were $21,093 and $37,134 for the nine months ended September 30, 2025 and 2024, respectively, and are included in marketing and advertising expenses on the unaudited consolidated statements of operations.

Income taxes

The Company accounts for income taxes pursuant to the provision of Accounting Standards Codification ("ASC") 740-10, "Accounting for Income Taxes" ("ASC 740-10"), which requires, among other things, an asset and liability approach to calculating deferred income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is provided to offset any net deferred tax assets for which management believes it is more likely than not that the net deferred asset will not be realized.

The Company follows the provision of ASC 740-10 related to Accounting for Uncertain Income Tax Positions. When tax returns are filed, there may be uncertainty about the merits of positions taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the consolidated financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more likely than not recognition threshold are measured at the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefit associated with tax positions taken that exceed the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all more likely than not to be upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits.

The Company has adopted ASC 740-10-25, "Definition of Settlement", which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion and examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they are filed.

Stock-based compensation

Stock-based compensation is accounted for based on the requirements of ASC 718 – *"Compensation–Stock Compensation*", which requires recognition in the consolidated financial statements of the cost of employee, non-employee and director services received in exchange for an award of equity instruments over the period the employee or director is required to perform the services in exchange for the award (presumptively, the vesting period). The ASC also requires measurement of the cost of employee and director services received in exchange for an award based on the grant-date fair value of the award. The Company has elected to account for forfeitures as they occur.

Foreign currency translation

The reporting currency of the Company is the U.S. dollar. Except for Metabizz SAS, the functional currency of the Company is the U.S. dollar. The functional currency of the Company's VIE, Metabizz SAS, is the Columbian Peso ("COP"). For Metabizz SAS, results of operations and cash flows are translated at average exchange rates during the period, assets and liabilities are translated at the unified exchange rate at the end of the period, and equity is translated at historical exchange rates. As a result, amounts relating to assets and liabilities reported on the statements of cash flows may not necessarily agree with the changes in the corresponding balances on the balance sheets. Translation adjustments resulting from the process of translating the local currency financial statements into U.S. dollars are included in determining comprehensive loss. The cumulative translation adjustment and effect of exchange rate changes on cash for the nine months ended September 30, 2025 and 2024 was $0. Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates. Assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the balance sheet date with any transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency included in the results of operations as incurred. On March 31, 2024, based on the Company's analysis, the Company deconsolidated Metabizz SAS (See Note 1).

Basic and diluted net loss per share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares during the period. Diluted net loss per share is computed using the weighted average number of common shares and potentially dilutive securities outstanding during the period. As of September 30, 2025 and December 31, 2024, the Company had no common stock equivalents.

Segment reporting

The Company operates as a single operating segment as a technology-based company that is developing social media applications and technologies. In accordance with ASC 280 – "Segment Reporting", the Company's chief operating decision maker has been identified as the Chief Executive Officer, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. Existing guidance, which is based on a management approach to segment reporting, establishes requirements to report selected segment information quarterly and to report annually entity-wide disclosures about products and services, major customers, and the countries in which the entity holds material assets and reports revenue. All material operating units qualify for aggregation under "Segment Reporting" due to their similarities in economic characteristics such as nature of services; and procurement processes. All revenues and expenses as reflected in the accompanying consolidated statements of operations and comprehensive loss are allocated to the one segment. The Company's single operating segment includes all of the Company's assets and liabilities as reflected in the accompanying unaudited consolidated balance sheets.

Recent accounting pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires entities to provide more detailed disaggregation of expenses in the income statement, focusing on the nature of the expenses rather than their function. The new disclosures will require entities to separately present expenses for significant line items, including but not limited to, depreciation, amortization, and employee compensation. Entities will also be required to provide a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, disclose the total amount of selling expenses and, in annual reporting periods, provide a definition of what constitutes selling expenses. This pronouncement is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company does not expect the adoption of this new guidance to have a material impact on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on its consolidated financial statements.

NOTE 3 – INTERNAL-USE SOFTWARE

As of September 30, 2025 and December 31, 2024, internal-use software consists of the following:

	Useful Life (Years)	September 30, 2025	December 31, 2024
Internal-use software	3 Years	$ 1,240,838	$ 1,050,000
Less accumulated amortization		(9,212)	-
Internal-use software, net		$ 1,231,626	$ 1,050,000

On October 29, 2024 (the "Closing Date" and measurement date), the Company entered into and closed on a Share Exchange Agreement (the "Share Exchange Agreement") with (i) RPM Florida and (ii) the shareholders of RPM Florida (See Note 1). Pursuant to the Share Exchange Agreement, the Company acquired 100% of the shares of RPM Florida in exchange for 3,500,000 shares of the Company's common stock. RPM Florida is a web publishing company that leverages generative AI systems to offer consumers entertaining gaming apps and podcasting offerings in the sports, finance, entertainment and politics categories. These shares were valued at $1,050,000, or $0.30 per share, on the measurement date based on recent sales of shares of the Company's common stock. Pursuant to ASU 2017-01 and ASC 805, the Company analyzed the Exchange Agreement and the business of RPM Florida to determine if the Company acquired a business or acquired assets. Other than owning certain in-development internal-use software, RPM Florida had no operations or employees and was not considered a business. No goodwill was recorded since the Exchange Agreement was accounted for as an asset purchase. In accordance with ASC 805, the fair value of the assets acquired is based on either the fair value of the consideration given or the fair value of the assets acquired, whichever is more clearly evident, and thus, more reliably measurable. The Company used the market price of the 3,500,000 common shares issued of $1,050,000 as the fair value of the assets acquired since this value was more clearly evident, and thus, more reliable measurable than the fair value of the assets. This acquisition was treated as an asset acquisition under ASC 805 "*Business Combinations"* since RPM Florida did not meet the definition of a business under ASC 805. ASC 805 requires the use of the relative fair value method for asset acquisitions to allocate the purchase price, however, since only a single internal-use software asset was acquired, the entire purchase price shall be allocated to this asset.

During the nine months ending September 30, 2025, the Company capitalized certain software development costs incurred amounting to $190,838 since the Company's software development projects were in the application development stage.

For the nine months ended September 30, 2025 and 2024, amortization of intangible assets amounted to $9,212. Certain internal-use software was placed in service during August 2025 and such capitalized software development costs are being amortized since then on a straight-line basis over the expected useful life of three years.

NOTE 4 – NOTES PAYABLE

On September 17, 2025, the Company received $40,000 from certain investors in exchange for promissory notes (the "Notes") dated September 17, 2025 (the "Issuance Date") and warrants (the "Warrants"). The Notes bear interest at the rate of 7.0% per annum and matures on September 17, 2026 (the "Maturity Date"). Interest on the outstanding principal sum of the Notes commences accruing on the Issuance Date, is computed on the basis of a 365-day year and the actual number of days elapsed, and shall be payable on the Maturity Date. The Company may prepay the Notes at any time without penalty. The Warrants are exercisable into an amount of shares of the Company's common stock at an exercise price that is contingent upon and subject to adjustment based on the per-share price of a future equity financing. The exercise price per share of common stock under the Warrants shall be equal to 50% of the public offing price per share of common stock in the initial public offering ("IPO") (or if the IPO involves the issuance only of common stock equivalents, then the conversion, exercise or exchange price of such common stock equivalent for one share of common stock), subject to adjustment. The total number of shares of Warrants shall be equal to the quotient of (a) the initial principal amount of the Note purchased by the Holder divided by (ii) the public offing price per share of common stock in the IPO (or if the IPO involves the issuance only of common stock equivalents, then the conversion, exercise or exchange price of such common stock equivalent for one share of common stock

As of September 30, 2025, the pricing of the contingent future financing has not occurred, and the fair value of the Warrant component is not reliably determinable due to the uncertainty of the future inputs. Accordingly, the full proceeds of $40,000 from the offering were initially recorded as Notes Payable. Upon the occurrence of the future financing, the Company will be required to evaluate the Warrants and potentially allocate the proceeds between the Notes and the Warrants, which may result in recording a debt discount on the Notes and a corresponding increase to paid-in capital.

During the nine months ended September 30, 2025, the Company recorded $52 in interest expense on the accompanying unaudited consolidated statement of operations and comprehensive loss. As of September 30, 2025, the outstanding principal balance and accrued interest payable of the notes payable is $40,000 and $52, respectively.

NOTE 5 – RELATED PARTY TRANSACTIONS

Relationship with Myseum, Inc. and Due to Related Party

The Company was formed in June 2022 by Myseum, Inc., a Nevada corporation ("Myseum") and since then has operated as a consolidated subsidiary of Myseum. Darin Myman, Myseum's Chief Executive Officer and Chairman also serves as the Company's President and until January 2025 was its sole director. Since the Company's formation, Myseum has been the Company's primary source of financial support. In January 2025, due to changes in Myseum's business plans, Myseum determined it was in the best interest of both Myseum and the Company to operate separately. In its effort to build a separate management team, Myseum agreed to cancel 3,500,000 shares of the Company that Myseum held as an investment to have Michael Mathews, the prior owner of RPM Florida, join the Company's board and serve as the Company's Chief Executive Officer. In January 2025, Myseum cancelled the 3,500,000 and currently owns approximately 34% of the Company's common stock. Myseum is not currently providing financial support to the Company and there is no agreement for Myseum to provide any operational funding in the future. The Company is currently in discussions with Myseum regarding settlement of the amounts due to Myseum as discussed below.

During the nine months ended September 30, 2025 and 2024, Myseum provided advances to the Company for working capital purposes. During the nine months ended September 30, 2025 and 2024, Myseum advanced the Company $57,368 and $859,513, respectively. Additionally, based on Myseum management's estimates, during the nine months ended September 30, 2025 and 2024, Myseum allocated shared expenses to the Company in the amounts of $176,214 and $487,403, respectively (See Note 2 – Basis of Presentation). On September 30, 2025 and December 31, 2024, the Company had a payable to Myseum of $5,224,288 and $4,990,706, respectively, which is presented as due to related party on the unaudited consolidated balance sheets. These advances are short-term in nature, non-interest bearing, and due on demand.

Other

On January 10, 2024, VR Interactive LLC ("VR Interactive"), a company 45% owned by Darin Myman, the Company's president and director, purchased 8,000,000 shares of RPM Interactive from the Metabizz shareholders for cash amounting to $120,000. Mr. Myman is a partner in VR Interactive. Accordingly, as of January 10, 2024, VR Interactive, was considered a related party. In October 2024, VR Interactive distributed all of its RPM Interactive shares to its members and is no longer considered to be a related party.

In November 2024, the Company entered into a consulting agreement with Michael Mathews II, the son of the Company's current Chairman pursuant to which the Company agreed to pay him $3,000 per month. The agreement ended on April 2025. Mr. Matthews II provided product management services to the Company, interfacing with third-party technical development firms. During the nine months ended September 30, 2025, the Company incurred consulting fees of $12,000 pursuant to this agreement, which is included in professional and consulting expense on the accompanying unaudited consolidated statement of operations and comprehensive loss.

NOTE 6 – STOCKHOLDERS' EQUITY

Common Stock

2024

On January 25, 2024, the Company entered into a 9-month consulting agreement with an individual for business development, financial and market due diligence services to be rendered over the term of the agreement. In connection with this consulting agreement, the Company issued 1,500,000 of its shares for services to be rendered. The shares were valued at $22,500, or $0.015 per shares, based on the sale of the Company's shares in a private transaction. In connection with the issuance of these shares, during the nine months ended September 30, 2025 and 2024, the Company recorded stock-based compensation of $0 and $20,089, respectively.

2025

Cancellation of Common Shares

In January 2025, in connection with the Company's contemplated initial public offering, Myseum returned 3,500,000 shares of the Company's common stock to the Company, which were cancelled. There was no accounting effect of this cancellation other than a reduction of the par value of these shares with an offset to additional paid-in capital.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Employment Agreements

Chief Executive Officer

On April 8, 2025, the Company entered into an employment agreement (the "Matthews Employment Agreement") with Michael Mathews to serve as the Chief Executive Officer of the Company, effective upon the closing of the Company's initial public offering. Pursuant to the Matthews Employment Agreement, Mr. Mathews shall receive an annual base salary of $300,000 and a New York housing allowance of $7,000 per month. Mr. Matthews may be eligible for an annual discretionary bonus in an amount to be determined by the Board of Directors of the Company (the "Board"), based on criteria established from time to time by the Board or the Compensation Committee, including the achievement of financial and operational targets, including EBITDA thresholds and other criteria. The Matthews Employment Agreement provides for a one-year initial term and shall automatically renew for additional one-year periods unless either party provides at least thirty (30) days' written notice of non-renewal prior to the expiration of the then-current term.

In the event Mr. Mathews' employment is terminated by the Company without cause (as defined in the Employment Agreement), by Mr. Mathews for good reason (as defined therein), or due to death or total disability, he shall be entitled to receive: (i) any accrued but unpaid compensation and vacation pay; (ii) any unreimbursed business expenses; and (iii) six months of base salary continuation. If Mr. Mathews elects continuation of health coverage under COBRA, the Company will continue to pay its portion of such premiums during the salary continuation period. In addition, any equity awards held by Mr. Mathews shall become fully vested upon a change in control or upon a termination by the Company without cause or by Mr. Mathews for good reason.

Chief Financial Officer

On April 8, 2025, the Company entered into an employment agreement (the "Linsley Employment Agreement") with W. David Linsley, pursuant to which Mr. Linsley was appointed as Chief Financial Officer of the Company, effective upon the closing of the Company's initial public offering. Under the Linsley Employment Agreement, Mr. Linsley will receive an annual base salary of $60,000 and may be eligible to receive a discretionary annual bonus, the amount and terms of which shall be determined by the Board in its sole discretion, including financial performance, reporting timeliness, and operational effectiveness. The term of the Lindsley Employment Agreement is for one (1) year from the effective date and shall automatically renew for additional one-year terms unless either party provides at least thirty (30) days' prior written notice of non-renewal.

In the event of termination by the Company without cause, by Mr. Linsley for good reason, or due to death or total disability (as each term is defined in the employment agreement), Mr. Linsley is entitled to receive: (i) any accrued but unpaid salary and vacation; (ii) any unreimbursed business expenses; (iii) six months of continued base salary; and (iv) if elected, COBRA premium subsidies for the same period. In addition, in the event of a change in control or a qualifying termination, any equity awards previously granted to Mr. Linsley shall become fully vested.

Chief Technology Officer

On April 8, 2025 (the "Effective Date"), the Company entered into an employment agreement (the "Warren Employment Agreement") with Daniel Warren, pursuant to which Mr. Warren was appointed as Chief Technology Officer of the Company, effective upon the closing of the Company's initial public offering. Under the Warren Employment Agreement, Mr. Warren will receive an annual base salary of $250,000 and is eligible to receive a discretionary annual bonus based on individual and Company performance as determined by the Board such as development milestones, technology integration, and platform scalability. The Employment Agreement has an initial term of one (1) year and renews automatically for successive one-year periods unless either party provides at least thirty (30) days' written notice prior to the expiration of the then-current term.

In the event Mr. Warren's employment is terminated by the Company without Cause, by Mr. Warren for good reason, or as a result of death or Total Disability, he shall be entitled to: (i) accrued compensation and unused vacation; (ii) reimbursement of unreimbursed expenses; (iii) six months of base salary continuation; and (iv) subsidized COBRA coverage for the salary continuation period. In addition, all unvested equity awards shall become fully vested upon a change in control or termination by RPM Interactive without cause or by Mr. Warren for good reason.

Exhibit 99.4

UNAUDITED PRO FORMA CONSOLIDATED COMBINED FINANCIAL STATEMENTS

On December 12, 2025, Avalon GloboCare Corp. acquired RPM Interactive, Inc., a Nevada corporation, in accordance with the terms of the Agreement and Plan of Merger, dated December 12, 2025 ("Merger Agreement"), by and among Avalon GloboCare Corp., Avalon Quantum AI, LLC, a Nevada limited liability company and a wholly owned subsidiary of Avalon GloboCare Corp. ("Merger Sub"), and RPM Interactive, Inc. Pursuant to the Merger Agreement, RPM Interactive, Inc. merged with and into the Merger Sub, pursuant to which the Merger Sub was the surviving entity and became a wholly owned subsidiary of Avalon GloboCare Corp. ("Merger"). Avalon GloboCare Corp. will acquire all of the issued and outstanding securities of RPM Interactive, Inc. in consideration of 19,500 shares of Avalon GloboCare Corp. Series E Non-Voting Convertible Preferred Stock. The following unaudited pro forma consolidated combined financial statements present the historical consolidated financial statements of Avalon GloboCare Corp. and Subsidiaries ("Avalon") and the historical consolidated financial statements of RPM Interactive, Inc. and Consolidated Entities ("RPM"), adjusted as if Avalon had acquired RPM.

The unaudited pro forma consolidated combined balance sheet combines the historical consolidated balance sheet of Avalon and the historical consolidated balance sheet of RPM as of September 30, 2025, giving effect to the acquisition as if they had been consummated on September 30, 2025. The unaudited pro forma consolidated combined statement of operations and comprehensive loss for the nine months ended September 30, 2025 combines the historical consolidated statement of operations and comprehensive loss of Avalon and the historical consolidated statement of operations and comprehensive loss of RPM, giving effect to the acquisition as if they had been consummated on January 1, 2024, the beginning of the earliest period presented. The unaudited pro forma consolidated combined statement of operations and comprehensive loss for the year ended December 31, 2024 combines the historical consolidated statement of operations and comprehensive loss of Avalon and the historical consolidated statement of operations and comprehensive loss of RPM, giving effect to the acquisition as if they had been consummated on January 1, 2024, the beginning of the earliest period presented. The historical consolidated financial statements have been adjusted in the unaudited pro forma consolidated combined financial statements to give pro forma effect to events that are: (1) directly attributable to the acquisition; (2) factually supportable; and (3) with respect to the statement of operations, expected to have a continuing impact on Avalon's results following the completion of the acquisition.

The unaudited pro forma consolidated combined financial statements have been developed from and should be read in conjunction with:

- The accompanying notes to the unaudited pro forma consolidated combined financial statements;
- The historical consolidated financial statements and related notes of Avalon as of September 30, 2025, for the nine months ended September 30, 2025 and for the year ended December 31, 2024, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations," included in Avalon's Quarterly Report on Form 10Q for the quarterly period ended September 30, 2025 and Annual Report on Form 10-K for the year ended December 31, 2024, which were filed with the Securities and Exchange Commission; and
- The historical consolidated financial statements of RPM as of September 30, 2025 and for the nine months ended September 30, 2025 and for the year ended December 31, 2024, which are contained elsewhere in this Form 8-K.

AVALON GLOBOCARE CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED COMBINED BALANCE SHEET
As of September 30, 2025

	Historical		Pro Forma			Pro Forma
	Avalon GloboCare Corp. and Subsidiaries	RPM Interactive, Inc. and Consolidated Entities	Pro Forma Adjustments Dr.		Pro Forma Adjustments Cr.	Pro Forma Combined
ASSETS						
CURRENT ASSETS:						
Cash	$ 333,931	$ 22,587	$ -		$ -	$ 356,518
Rent receivable	87,317	-	-		-	87,317
Receivable from sale of equity method investment	1,028,500	-	-		-	1,028,500
Prepaid expenses	-	1,689	-		1,689 a	-
Prepaid expenses and other current assets	639,285	-	1,689 a		-	640,974
Total Current Assets	2,089,033	24,276	1,689		1,689	2,113,309
NON-CURRENT ASSETS:						
Operating lease right-of-use assets, net	83,490	-	-		-	83,490
Property and equipment, net	6,355	-	-		-	6,355
Investment in real estate, net	6,932,074	-	-		-	6,932,074
Other non-current assets	17,503	-	152,500 b		-	170,003
Deferred offering costs	-	152,500	-		152,500 b	-
Capitalized internal-use software, net	-	1,231,626	-		-	1,231,626
Intangible assets	-	-	15,000,000 c		-	15,000,000
Goodwill	-	-	8,505,508 c		-	8,505,508
Total Non-current Assets	7,039,422	1,384,126	23,658,008		152,500	31,929,056
Total Assets	$ 9,128,455	$ 1,408,402	$ 23,659,697		$ 154,189	$ 34,042,365
LIABILITIES AND STOCKHOLDER'S (DEFICIT) EQUITY						
CURRENT LIABILITIES:						
Accrued professional fees	$ 1,320,286	$ -	$ -		$ 1,000,000 e	$ 2,320,286
Accrued research and development fees	153,772	-	-		-	153,772
Accrued payroll liability and compensation	827,524	-	-		-	827,524
Accrued litigation settlement	363,450	-	-		-	363,450
Accrued liabilities and other payables	201,067	-	-		149,622 f	350,689
Accrued liabilities and other payables - related parties	100,000	-	-		-	100,000
Operating lease obligation, current portion	71,691	-	-		-	71,691
Advance from pending sale of noncontrolling interest - related party	3,158,078	-	-		-	3,158,078
Derivative liability	100,423	-	-		-	100,423
Stock subscription liability	150,000	-	-		-	150,000
Note payable, net	5,797,466	-	-		-	5,797,466
Convertible note payable, net	1,359,918	-	-		-	1,359,918
Notes payable	-	40,000	-		-	40,000
Accounts payable and accrued expenses	-	149,622	149,622 f		-	-
Due to related party - parent	-	5,224,288	-		-	5,224,288
Total Current Liabilities	13,603,675	5,413,910	149,622		1,149,622	20,017,585
NON-CURRENT LIABILITIES:						
Operating lease obligation, noncurrent portion	17,799	-	-		-	17,799
Total Non-current Liabilities	17,799	-	-		-	17,799
Total Liabilities	13,621,474	5,413,910	149,622		1,149,622	20,035,384
STOCKHOLDERS' (DEFICIT) EQUITY:						
Preferred stock, $0.0001 par value; 10,000,000 shares authorized;						
Series C Convertible Preferred Stock, 3,800 shares issued and outstanding	3,790,000	-	-		-	3,790,000
Series D Convertible Preferred Stock, 5,000 shares issued and outstanding	8,837,527	-	-		-	8,837,527
Series E Non-Voting Convertible Preferred Stock, 19,500 pro forma shares issued and outstanding	-	-	-		19,500,000 c	19,500,000

Common stock, $0.0001 par value; 100,000,000 shares authorized; 4,100,576 shares issued and 4,097,109 shares outstanding	410	-	-	-	410
Preferred stock ($0.0001 par value; 20,000,000 shares authorized, no shares issued and outstanding)	-	-	-	-	-
Common stock ($0.0001 par value; 180,000,000 shares authorized; 36,747,326 shares issued and outstanding)	-	3,675	3,675 d	-	-
Additional paid-in capital	87,494,414	2,543,023	2,543,023 d	-	87,494,414
Less: common stock held in treasury, at cost; 3,467 shares	(522,500)	-	-	-	(522,500)
Accumulated deficit	(103,868,102)	(6,552,206)	1,000,000 e	6,552,206 d	(104,868,102)
Statutory reserve	6,578	-	-	-	6,578
Accumulated other comprehensive loss	(231,346)	-	-	-	(231,346)
Total Stockholders' (Deficit) Equity	(4,493,019)	(4,005,508)	3,546,698	26,052,206	14,006,981
Total Liabilities and Stockholders' (Deficit) Equity	$ 9,128,455	$ 1,408,402	$ 3,696,320	$ 27,201,828	$ 34,042,365

AVALON GLOBOCARE CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED COMBINED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
Nine Months Ended September 30, 2025

	Historical		Pro Forma			
	Avalon GloboCare Corp. and Subsidiaries	RPM Interactive, Inc. and Consolidated Entities	Pro Forma Adjustments Dr.	Pro Forma Adjustments Cr.		Pro Forma Combined
REAL PROPERTY RENTAL REVENUE	$ 1,050,305	$ -	$ -	$ -		$ 1,050,305
REAL PROPERTY OPERATING EXPENSES	765,833	-	-	-		765,833
REAL PROPERTY OPERATING INCOME	284,472	-	-	-		284,472
INCOME FROM EQUITY METHOD INVESTMENT - LAB SERVICES MSO	392,677	-	-	-		392,677
OPERATING EXPENSES:						
Compensation and related expenses	-	82,508	-	82,508	a	-
Marketing and advertising expenses	-	21,093	-	21,093	a	-
Professional and consulting expenses	-	262,022	-	262,022	a	-
Research and development expense	-	11,000	-	11,000	a	-
General and administrative expenses	-	107,912	-	107,912	a	-
Total operating expenses	-	484,535	-	484,535		-
OTHER OPERATING EXPENSES:						
Advertising and marketing expenses	642,723	-	21,093	a	-	663,816
Professional fees	4,416,074	-	262,022	a	-	4,678,096
Compensation and related benefits	894,831	-	82,508	a	-	977,339
Research and development expense	-	-	11,000	a	-	11,000
Amortization	-	-	562,500	c	-	562,500
Other general and administrative expenses	494,476	-	107,912	a	-	602,388
Total Other Operating Expenses	6,448,104	-	1,047,035		-	7,495,139
LOSS FROM OPERATIONS	(5,770,955)	(484,535)	(1,047,035)		(484,535)	(6,817,990)
OTHER (EXPENSE) INCOME						
Interest expense - amortization of debt discount and debt issuance costs	(1,155,310)	-	-	-		(1,155,310)
Interest expense - other	(729,780)	-	(92)	b	-	(729,872)
Change in fair value of derivative liability	471,946	-	-	-		471,946
Loss on extinguishment of debt	(9,076,587)	-	-	-		(9,076,587)
Other income	65,709	-	-	-		65,709
Interest expense, net	-	(92)	-	(92)	b	-
Total Other Expense, net	(10,424,022)	(92)	(92)	(92)		(10,424,114)
LOSS BEFORE INCOME TAXES	(16,194,977)	(484,627)	(1,047,127)	(484,627)		(17,242,104)
INCOME TAXES	-	-	-	-		-
NET LOSS	$ (16,194,977)	$ (484,627)	$ (1,047,127)	$ (484,627)		$ (17,242,104)
DEEMED CONTRIBUTION ON EXCHANGE OF EQUITY INSTRUMENTS	162,473	-	-	-		162,473
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (16,032,504)	$ (484,627)	$ (1,047,127)	$ (484,627)		$ (17,079,631)
NET LOSS PER COMMON SHARE:						
Basic and diluted	$ (6.10)					$ (6.50)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:						
Basic and diluted	2,627,708					2,627,708
COMPREHENSIVE LOSS:						
NET LOSS	$ (16,194,977)	$ (484,627)	$ (1,047,127)	$ (484,627)		$ (17,242,104)
OTHER COMPREHENSIVE INCOME						
Unrealized foreign currency translation gain	654	-	-	-		654

COMPREHENSIVE LOSS	$ (16,194,323)	$ (484,627)	$ (1,047,127)	$ (484,627)	$ (17,241,450)

AVALON GLOBOCARE CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED COMBINED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
Year Ended December 31, 2024

	Historical		Pro Forma		
	Avalon GloboCare Corp. and Subsidiaries	RPM Interactive, Inc. and Consolidated Entities	Pro Forma Adjustments Dr.	Pro Forma Adjustments Cr.	Pro Forma Combined
REAL PROPERTY RENTAL REVENUE	$ 1,333,403	$ -	$ -	$ -	$ 1,333,403
REAL PROPERTY OPERATING EXPENSES	1,065,574	-	-	-	1,065,574
REAL PROPERTY OPERATING INCOME	267,829	-	-	-	267,829
LOSS FROM EQUITY METHOD INVESTMENT - LAB SERVICES MSO	(846,588)	-	-	-	(846,588)
OPERATING EXPENSES:					
Compensation and related expenses	-	525,516	-	525,516 a	-
Marketing and advertising expenses	-	44,493	-	44,493 a	-
Professional and consulting expenses	-	449,631	-	449,631 a	-
Research and development expense	-	691,001	-	691,001 a	-
General and administrative expenses	-	353,095	-	353,095 a	-
Total operating expenses	-	2,063,736	-	2,063,736	-
OTHER OPERATING EXPENSES:					
Advertising and marketing expenses	237,671	-	44,493 a	-	282,164
Professional fees	1,822,105	-	449,631 a	-	2,271,736
Compensation and related benefits	1,431,328	-	525,516 a	-	1,956,844
Research and development expense	-	-	691,001 a	-	691,001
Amortization	-	-	750,000 c	-	750,000
Other general and administrative expenses	857,869	-	353,095 a	-	1,210,964
Total Other Operating Expenses	4,348,973	-	2,813,736	-	7,162,709
LOSS FROM OPERATIONS	(4,927,732)	(2,063,736)	(2,813,736)	(2,063,736)	(7,741,468)
OTHER (EXPENSE) INCOME					
Interest expense - amortization of debt discount and debt issuance costs	(1,411,042)	-	-	-	(1,411,042)
Interest expense - other	(983,486)	-	-	-	(983,486)
Interest expense - related party	(42,445)	-	-	-	(42,445)
Debt modification charge	(838,794)	-	-	-	(838,794)
Change in fair value of derivative liability	374,365	-	-	-	374,365
Other expense	(74,260)	-	109 b	12,965 b	(87,116)
Interest income, net	-	2	-	2 b	-
Gain on deconsolidation of variable interest entities	-	107	-	107 b	-
Foreign currency loss	-	(12,965)	12,965 b	-	-
Total Other Expense, net	(2,975,662)	(12,856)	13,074	13,074	(2,988,518)
LOSS BEFORE INCOME TAXES	(7,903,394)	(2,076,592)	(2,800,662)	(2,050,662)	(10,729,986)
INCOME TAXES	-	-	-	-	-
NET LOSS	$ (7,903,394)	$ (2,076,592)	$ (2,800,662)	$ (2,050,662)	$ (10,729,986)
NET LOSS PER COMMON SHARE:					
Basic and diluted	$ (8.44)				$ (11.46)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:					
Basic and diluted	936,614				936,614
COMPREHENSIVE LOSS:					
NET LOSS	$ (7,903,394)	$ (2,076,592)	$ (2,800,662)	$ (2,050,662)	$ (10,729,986)
OTHER COMPREHENSIVE (LOSS) INCOME					
Unrealized foreign currency translation (loss) gain	(273)	12,965	-	-	12,692
COMPREHENSIVE LOSS	$ (7,903,667)	$ (2,063,627)	$ (2,800,662)	$ (2,050,662)	$ (10,717,294)

[1] Basis of Pro Forma Presentation

The unaudited pro forma consolidated combined financial statements have been prepared assuming the acquisition is accounted for as a business combination using the acquisition method of accounting under Financial Accounting Standards Board ("FASB") ASC 805, Business Combinations ("ASC 805"). For business combinations under ASC 805, acquisition-related transaction costs are not included as a component of consideration transferred but are accounted for as expenses in the periods in which such costs are incurred. Acquisition-related transaction costs include advisory, legal, accounting fee and others.

The unaudited pro forma consolidated combined financial statements reflect adjustments, based on available information and certain assumptions that Avalon believes are reasonable, attributable to the following:

- The acquisition of RPM, which will be accounted for as a business combination, with Avalon identified as the acquirer, and the issuance of 19,500 shares of Avalon's Series E Non-Voting Convertible Preferred Stock as acquisition consideration. Avalon is considered the accounting acquirer since immediately following the closing: (i) Avalon stockholders will own the largest portion of the voting rights of the combined company; (ii) Avalon will control corporate governance of the combined company; and (iii) Avalon's size is significantly larger than RPM's as measured in terms of assets and revenue;

- Adjustments to conform the classification of certain assets and liabilities in RPM's historical consolidated balance sheet to Avalon's classification for similar assets and liabilities;

- Adjustments to conform the classification of expenses in RPM's historical consolidated statement of operations and comprehensive loss to Avalon's classification for similar expenses; and

- The incurrence of acquisition-related expenses.

The pro forma adjustments represent management's estimates based on information available as of the date of this filing and are subject to change as additional information becomes available and additional analyses are performed. The pro forma financial statements are provided for illustrative purposes only and are not intended to represent what Avalon's financial position or results of operations would have been had the acquisition actually been consummated on the assumed dates nor do they purport to project the future operating results or financial position of Avalon following the acquisition. The pro forma financial statements do not reflect future events that may occur after the acquisition, including, but not limited to, the anticipated realization of ongoing savings from potential operating efficiencies, cost savings, or economies of scale that Avalon may achieve with respect to the combined operations. Specifically, the pro forma statements of operations do not include the synergies expected to be achieved as a result of the acquisition and any associated costs that may be incurred to achieve the identified synergies. Additionally, Avalon cannot assure that additional charges will not be incurred in excess of those included in the pro forma additional legal, accounting, and advisory fees of $1,000,000 related to the acquisition, Avalon's efforts to achieve operational synergies, or that management will be successful in its efforts to integrate the operations. The pro forma statement of operations also excludes the effects of costs associated with any restructuring and integration activities that may result from the acquisition. Further, the pro forma financial statements do not reflect the effect of any regulatory actions that may impact the results of Avalon following the acquisition.

Assumptions and estimates underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma consolidated combined financial statements. In Avalon's opinion, all adjustments that are necessary to present fairly the pro forma information have been made. The historical financial statements have been adjusted in the unaudited pro forma consolidated combined financial statements to give effect to the acquisition. These adjustments are directly attributable to the acquisition, factually supportable and, with respect to the unaudited pro forma consolidated combined statements of operations, expected to have a continuing impact on Avalon following the acquisition.

[2] Pro Forma Adjustments and Assumptions

Pro Forma Adjustments to the Consolidated Balance Sheet at September 30, 2025:

a. Represents the reclassification of prepaid expenses into prepaid expenses and other current assets.

b. Represents the reclassification of deferred offering costs into other non-current assets.

c. Reflects the consideration of $19,500,000 pursuant to the issuance of 19,500 shares of Avalon's Series E Non-Voting Convertible Preferred Stock, stated value $1,000, which approximated the fair market value, for acquisition of RPM and adjustments to state RPM's assets acquired and liabilities assumed at fair value. The initial estimate of the consideration of $19,500,000 is subject to change upon the final valuation which is to be done at the time of closing. Such change could have a material impact on the Company's financial statements. A summary of the consideration paid and the preliminary fair value of the assets acquired and liabilities assumed is as follows:

Preliminary consideration:		
Avalon's Series E Non-Voting Convertible Preferred Stock issued to RPM's shareholders		19,500
Stated value of each share of Series E Non-Voting Convertible Preferred Stock	$	1,000
Total consideration	**$**	**19,500,000**
Preliminary fair value of assets acquired:		
Current assets		
Cash	$	22,587
Prepaid expenses		1,689
Non-current assets		
Deferred offering costs		152,500
Capitalized internal-use software, net		1,231,626
Intangible assets		15,000,000
Goodwill from the merger		8,505,508
Total preliminary fair value of assets acquired	**$**	**24,913,910**
Preliminary fair value of liabilities assumed:		
Current liabilities		
Notes payable	$	(40,000)
Accounts payable and accrued expenses		(149,622)
Due to related party - parent		(5,224,288)
Total preliminary fair value of liabilities assumed	**$**	**(5,413,910)**
Net Assets acquired and liabilities assumed	**$**	**19,500,000**

The acquisition consideration is allocated to the acquired assets and assumed liabilities based on their estimated fair values, and any excess is initially allocated to identifiable intangible assets and goodwill. The purchase price exceeded the fair value of net assets acquired by $23,505,508. The Company allocated the $15,000,000 excess to intangible assets, which will be amortized over 20 years, and the $8,505,508 excess to goodwill. The identifiable intangible assets are mainly comprised of utility patent. The final determination of fair value of intangible assets, as well as estimated useful lives, remains subject to change. The finalization may have a material impact on the valuation of intangible assets and the purchase price allocation, which is expected to be finalized subsequent to the acquisition. No amortization or impairment of goodwill was considered in the unaudited pro forma consolidated combined financial information.

d. Represents the elimination of RPM's historical equity balances.

e. Represents the accrual of $1,000,000 in estimated legal, accounting, and advisory fees that are payable as a result of the acquisition of RPM, which were not reflected in either Avalon's or RPM's historical financial statements.

f. Represents the reclassification of accounts payable and accrued expenses into accrued liabilities and other payables.

Pro Forma Adjustments to the Consolidated Statement of Operations and Comprehensive Loss for the Nine Months Ended September 30, 2025:

a. Represents a reclassification of operating expenses: compensation and related expenses, marketing and advertising expenses, professional and consulting expenses, research and development expense, and general and administrative expenses into other operating expenses: compensation and related benefits, advertising and marketing expenses, professional fees, research and development expense, and other general and administrative expenses, respectively.

b. Represents a reclassification of interest expense, net, into interest expense - other.

c. Represents amortization of intangible assets acquired from this acquisition.

Pro Forma Adjustments to the Consolidated Statement of Operations and Comprehensive Loss for the Year Ended December 31, 2024:

a. Represents a reclassification of operating expenses: compensation and related expenses, marketing and advertising expenses, professional and consulting expenses, research and development expense, and general and administrative expenses into other operating expenses: compensation and related benefits, advertising and marketing expenses, professional fees, research and development expense, and other general and administrative expenses, respectively.

b. Represents a reclassification of interest income, net, gain on deconsolidation of variable interest entities, and foreign currency loss into other expense.

c. Represents amortization of intangible assets acquired from this acquisition.

[3] Unaudited Pro Forma Adjustment Reflects the Following Two Transactions:

Transaction 1:

Intangible assets	15,000,000	
Goodwill from the merger	8,505,508	
Common stock	3,675	
Additional paid-in capital	2,543,023	
Accumulated deficit		6,552,206
Series E Non-Voting Convertible Preferred Stock		19,500,000

The transaction reflects (i) the elimination of RPM's historical equity balances; (ii) the issuance of 19,500 shares of Avalon Series E Non-Voting Convertible Preferred Stock, stated value $1000, which approximated the fair market value, as consideration for acquisition of RPM; and (iii) acquisition consideration exceeded the fair value of net assets acquired by $23,505,508, which the Company allocated $15,000,000 to intangible assets mainly consisting of utility patent, and allocated $8,505,508 to goodwill.

Transaction 2:

Accumulated deficit	1,000,000	
Accrued professional fees		1,000,000

To accrue $1,000,000 estimated additional legal, accounting, and advisory fees that are payable as a result of the acquisition of RPM, which were not reflected in either Avalon's or RPM's historical financial statements.