
**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

August 12, 2026

Date of Report (Date of earliest event reported)

FINGERMOTION, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-41187

(Commission
File Number)

46-4600326

(IRS Employer
Identification No.)

111 Somerset Road, Level 3

Singapore

(Address of principal executive offices)

238164

(Zip Code)

(347) 349-5339

Registrant's telephone number, including area code

Not applicable.

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

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ 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	FNGR	The Nasdaq Stock Market LLC

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

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.

On August 16, 2026 (the “**Agreement Date**”), FingerMotion, Inc., a Delaware corporation (the “**Company**”), entered into a securities purchase agreement (the “**Purchase Agreement**”) with an institutional investor (the “**Investor**”), pursuant to which the Company issued to the Investor a senior secured convertible note (the “**Note**”) with an original principal amount of \$5,000,000 and an original issue discount of \$700,000. The Note bears no interest (except upon an event of default) and, unless earlier converted or redeemed, will mature on the first anniversary of the closing date under the Agreement (the “**Closing Date**”). At closing, the Company will receive \$4,300,000, of which \$1.3 million will be immediately available to the Company and the remaining \$3.3 million will be held in a DACA account in the name of the Company to be released upon meeting certain release conditions as set forth in the Purchase Agreement.

The Note is convertible, at any time at the Investor’s option, into shares of the Company’s common stock, par value \$0.0001 per share (the “**Common Stock**” and such shares issuable upon conversion, the “**Conversion Shares**”), at an initial fixed conversion price of \$0.35 per share (the “**Fixed Conversion Price**”), which is subject to adjustment for stock splits, stock dividends, stock combinations, recapitalizations, and other customary events. In addition, during each monthly period specified in the Note (each, a “**Monthly Redemption Conversion Period**”), the Investor may convert up to the remaining principal amount of the Note (plus all accrued and unpaid amounts thereon) at a “Redemption Conversion Price” equal to the lower of (i) the Fixed Conversion Price then in effect and (ii) 90% of the lowest daily volume-weighted average price of the Common Stock during the seven consecutive trading days ending on and including the applicable date of conversion or the first trading day of the applicable Monthly Redemption Conversion Period, in each case subject to a floor price (the “**Floor Price**”) initially set at 20% of the Nasdaq Minimum Price (as defined in Nasdaq Listing Rule 5635) on the trading day prior to the date of the Purchase Agreement, which resets automatically every six months. If the Company is unable to issue Conversion Shares due to the exchange cap described below or if a Floor Price condition exists, the Investor may require the Company to satisfy the applicable monthly conversion amount in cash at a 7.5% premium.

The Note includes customary events of default, including, without limitation (and, where applicable, subject to any cure periods set forth in the Note):

- suspension of trading of the Company’s Common Stock on Nasdaq;
- the Company’s failure to timely deliver freely tradable Conversion Shares;
- the Company’s failure to maintain the required share reserve for the Note;
- any payment default under the Note or related transaction documents;
- acceleration of \$500,000 or more of the Company’s (or any subsidiary’s) other indebtedness;
- the Company’s bankruptcy, insolvency, or liquidation (whether voluntary or involuntary);
- entry of a final judgment for the payment of money in excess of \$500,000 against the Company or any subsidiary;
- breaches of representations, warranties, or covenants in the Note or any other transaction documents;
- any failure of the resale registration statement to be timely filed, declared effective, or maintained in accordance with the Registration Rights Agreement (as defined below);
- any security document failing or ceasing to create a valid and perfected first-priority lien on the collateral; and
- failure by the Company to maintain minimum cash covenant.

If an event of default occurs and is continuing, the Note shall become due and payable, at the Investor’s election, in cash at an amount equal to 125% of all the outstanding principal amount of the Note, accrued and unpaid interest, and any other unpaid amounts (collectively, the “**Outstanding Value**”). Upon the occurrence and continuation of an event of default, default interest shall accrue at an annual rate of 12%.

The Note also contains additional conversion, redemption, and put mechanics, including (i) an optional redemption right in favor of the Company, exercisable after 40 trading days following the effective date of the initial resale registration statement, at a price equal to 115% of the Outstanding Value of the Note, (ii) a change of control put right entitling the Investor to require redemption of the Outstanding Value under the Note at a premium upon the occurrence of a change of control transaction, and (iii) a subsequent placement redemption right entitling the Investor to require the Company to apply up to 30% of the gross proceeds of such subsequent placement to redeem at a price equal to 115% of the Outstanding Value being redeemed, in each case subject to the terms and conditions set forth in the Note.

The Purchase Agreement contains customary representations, warranties, and agreements of the Company and the Investor, and customary indemnification rights and obligations of the parties. The Company has agreed to seek stockholder approval for the issuance of Conversion Shares in excess of 19.99% of the outstanding shares of Common Stock as of the date of the Purchase Agreement. Absent such approval (or an opinion of outside counsel that stockholder approval is not required), the Company may not issue Conversion Shares in excess of 12,256,260 shares in the aggregate (the “**Exchange Cap**”). Conversions are also subject to a 9.99% beneficial ownership limitation.

In addition, the Company is issuing the Investor a Warrant exercisable into 4,092,993 shares of Company common stock (the “**Warrant Shares**”). The Warrant carries a five year term and is subject to a price adjustment should the Company issue securities below the exercise price of the warrant which is the fixed conversion price of the Note. The Warrant and the Warrant Shares will be issued in transactions exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended.

In connection with the Purchase Agreement, the Company entered into a registration rights agreement with the Investor (the “**Registration Rights Agreement**”), pursuant to which the Company has agreed to file a resale registration statement to register for resale a number of shares of Common Stock equal to 150 % of the maximum number of Conversion Shares issuable upon conversion of the Note (subject to adjustment under the Registration Rights Agreement) and 100% of the number of Warrant Shares issuable upon exercise of the Warrant (subject to adjustment under the Registration Rights Agreement) no later than 15 calendar days after the date of the Registration Rights Agreement, and to use best efforts to cause such registration statement to be declared effective within the effectiveness deadlines specified thereunder.

The Company also entered into a security agreement with the Investor (the “**Security Agreement**”), pursuant to which the Company granted to the Investor, acting as collateral agent, a first-priority security interest in substantially all of the Company’s personal property assets, subject to customary permitted liens and excluded assets, as set forth in the Security Agreement.

The foregoing descriptions of the Purchase Agreement, the Note, the Warrant, the Registration Rights Agreement and the Security Agreement are not complete and are subject to, and qualified in their entirety by reference to the full text of the Purchase Agreement, the Note, the Registration Rights Agreement and the Security Agreement, copies of which are attached as Exhibits 10.1, 10.2, 10.3, 10.4 and 10.5, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

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

The disclosure set forth above under Item 1.01 with respect to the Note is incorporated by reference into this Item 2.03.

Item 3.02 Unregistered Sale of Equity Securities

Reference is made to the disclosure set forth under Item 1.01 supra and under Item 8.01 infra, which disclosure is incorporated herein by reference.

The Note and Warrants were, and the Conversion Shares and Warrant Shares will be, issued in a transaction exempt from the registration requirements under the U.S. Securities Act in reliance on the exemption provided by Section 4(a)(2) thereof and Rule 506(b) of Regulation D thereunder. The Investor has represented that it is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D, and is acquiring the securities described herein for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof.

See Section 8.01 below for the shares of Company common stock issued in the acquisition of Lyken (as defined below).

ITEM 5.02 RESIGNATION OF AN OFFICER; APPOINTMENT OF AN OFFICER

The Company appointed Chris Polimeni as Chief Financial Officer, effective August 17, 2026. Mr. Polimeni succeeds Lee Yew Hon, whose resignation as Chief Financial Officer was accepted by the Board of Directors.

About Chris Polimeni

Chris Polimeni is an accomplished financial executive with more than 35 years of experience driving financial strategy and operational efficiency at both public and private companies across publishing, distribution, waste management, and technology. He brings deep expertise in mergers and acquisitions, capital raising across debt and equity markets, SEC reporting, contract negotiations, revenue recognition, auditing, financial planning and analysis, treasury management, taxation, and ERP implementation.

A results-driven leader, Mr. Polimeni combines strong analytical skills with a proven ability to structure complex financial transactions and advance strategic growth initiatives. Most recently, he served as Chief Financial Officer of Avax One Technology Ltd. Since 2020, he has also served as President and Chief Executive Officer of Polimeni & Associates, Inc. He holds a Bachelor of Business Administration in Accounting and Management Information Systems from Hofstra University.

Compensation of Executive Officers

Both Jolie Kahn, as Chief Executive Officer, and Chris Polimeni, as Chief Financial Officer, are to be compensated at the rate of \$30,000 each per month until such time as the Company's Compensation Committee is able to meet and determine executive compensation agreements for both, which is expected to occur imminently.

ITEM 8.01 OTHER INFORMATION

The Company entered into a share purchase agreement dated August 12, 2026 (the "Agreement") with Alset AI Ventures Inc. and Lyken AI Computing Inc., operating as Lyken.AI ("Lyken"), pursuant to which it acquired 99,000 common shares of Lyken from Alset AI, representing 9.9% of Lyken's 1,000,000 issued and outstanding common shares immediately prior to closing, for a purchase price of \$500,000 payable solely in common stock of the Company (the "Transaction") at a price per share of \$0.2990 (\$0.01 per share above the closing price on August 12, 2026 of \$0.2890 per share), which is 1,674,480 shares of its Common Stock. Final closing of the transaction was subject to approval of the TSXV on behalf of Alset AI, which occurred on August 14, 2026, on which date the transaction closed. The shares of common stock of the Company were issued in a transaction exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit	Description
10.1	Form of Securities Purchase Agreement
10.2	Form of Note
10.3	Form of Warrant
10.4	Form of Registration Rights Agreement
10.5	Form of Security Agreement
10.6	Lyken Purchase Agreement, dated August 12, 2026
99.1	Press Release dated August 17, 2026
99.2	Press Release dated August 17, 2026
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

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.

FINGERMOTION, INC.

DATE: August 17, 2026

By: */s/ Jolie Kahn*

Jolie Kahn
CEO and Director

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “**Agreement**”) is dated as of August 16, 2026, by and between FingerMotion, Inc., a Delaware corporation, having an address at c/o FingerMotion, Inc., 111 Somerset Road, Level 3, Singapore (the “**Company**”), and each buyer identified on the signature pages hereto (each, including its successors and assigns, a “**Buyer**” and collectively, the “**Buyers**”).

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the “**Securities Act**”), and/or Rule 506 of Regulation D promulgated thereunder, the Company desires to issue and sell to each Buyer, and each Buyer, severally and not jointly, desires to purchase from the Company securities of the Company as more fully described in this Agreement.

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 Buyer, severally and not jointly, hereby agree as follows:

**ARTICLE I.
DEFINITIONS**

1.1 **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 Section 1.1:

“**Action**” shall have the meaning assigned to such term in Section 3.1(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.

“**Agreement**” shall have the meaning assigned to such term in the introductory paragraph of this Agreement.

“**ATM Program**” means a customary “at-the-market” offering program.

“**Board of Directors**” means the board of directors of the Company or any duly authorized committee thereof.

“**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; *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 are generally open for use by customers on such day.

“**Buyer**” or “**Buyers**” shall have the meaning assigned to such term in the introductory paragraph of this Agreement.

“**Buyer Party**” shall have the meaning assigned to such term in Section 4.8.

“**Closing**” means the closing of the purchase and sale of the Notes pursuant to Section 2.1(a).

“**Closing Date**” means the Business Day mutually selected by the Buyers and the Company and on which all of the Transaction Documents referred to in Section 2.2(a) have been executed and delivered by the applicable parties thereto, and all conditions precedent to (i) the Buyers’ obligations to pay the Subscription Amount for the Notes, and (ii) the Company’s obligations to deliver the Notes have been satisfied or waived, but in any case no later than second (2nd) Business Day after the execution of this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Collateral Agent**” shall have the meaning assigned to such term in Section 4.11.

“**Collateral Agent Indemnitees**” shall have the meaning assigned to such term in Section 4.11.

“**Commission**” means the United States Securities and Exchange Commission.

“**Common Stock**” means the shares of Common Stock of the Company with par value \$0.0001 per share, and any other class of shares into which such shares may hereafter be reclassified or changed.

“**Company**” shall have the meaning assigned to such term in the introductory paragraph of this Agreement.

“**Conversion Notice**” shall have the meaning assigned to such term in the Notes.

“**Conversion Price**” shall have the meaning assigned to such term in the Notes.

“**Conversion Shares**” shall have the meaning assigned to such term in the Notes.

“**Convertible Securities**” means any share or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

“**DACA**” means a deposit account control agreement, in form and substance satisfactory to the Buyers, by and among the Company, the depository bank and the Collateral Agent, governing the Deposit Account.

“**Deposit Account**” means a deposit account maintained by the Company at Bank of America, N.A. or another banking institution acceptable to the Buyers, subject to the DACA, which DACA shall provide that the Company shall have no access to funds in such Deposit Account except pursuant to the release mechanics set forth in Section 2.4.

“**Disqualification Event**” shall have the meaning assigned to such term in Section 3.1(dd).

“Equity Conditions” means, with respect to any Release, that for each Trading Day during the Measurement Period applicable to such Release and on the applicable Release Eligibility Date: (a) the Company shall have duly and timely issued all shares of Common Stock required to be issued to any Buyer pursuant to the terms of any Transaction Document, if any; (b) the Company shall have paid all principal, interest, liquidated damages and other amounts owing to any Buyer in respect of any Note; (c) the Underlying Shares shall be Freely Tradable (as defined in the Notes) by the applicable Buyer upon issuance; (d) the Common Stock is trading on a Trading Market (as defined in the Notes) and all Underlying Shares are listed or quoted for trading on such Trading Market, and the Company believes, in good faith, that trading of the Common Stock on a Trading Market will continue uninterrupted for the foreseeable future; (e) the number of authorized but unissued and otherwise unreserved shares of Common Stock equals at least the Required Minimum; (f) there is no existing Event of Default and no existing event which, with the passage of time or the giving of notice, would constitute an Event of Default; (g) the Company shall not have failed to satisfy the current public information requirement under Rule 144(c) under the Securities Act and shall not have any pending extension of the deadline for filing a periodic report with the Commission under Rule 12b-25 under the Exchange Act; (h) the Common Stock is DWAC Eligible (as defined in the Notes); (i) the issuance of the Underlying Shares in question to the applicable Buyer would not violate the limitations set forth in the Notes or the Warrants, as applicable; (j) there has been no public announcement of a pending or proposed Fundamental Transaction (as defined in the Notes) or Change of Control Transaction (as defined in the Notes) that has not been consummated; (k) no Buyer is in possession of any information provided by the Company, any of its Subsidiaries, or any of their officers, directors, employees, agents or Affiliates, that constitutes, or may constitute, material non-public information; (l) no bona fide material dispute shall exist by and between any holder of the Notes and the Company, any Trading Market and/or the Financial Industry Regulatory Authority with respect to any term or provision of any Note or any other Transaction Document; (m) the Company and its Subsidiaries have complied with their respective obligations under the Transaction Documents in all material respects; (n) the Company shall not be suspended from trading in or delisted from the Principal Market; (o) the daily dollar trading volume for the Common Stock during market hours on the principal Trading Market equals or exceeds \$500,000 for at least twenty-five (25) out of thirty (30) Trading Days during the Measurement Period; (p) the daily VWAP for the Common Stock is at least \$0.30 (subject to adjustment for share splits, Stock Dividends (as defined in the Notes) or share combinations) for at least twenty-five (25) out of thirty (30) Trading Days during the Measurement Period; (q) the Market Value of Listed Securities (as defined under Nasdaq Rules) is at least \$25,000,000, calculated for this purpose assuming the same number of shares of Common Stock outstanding as of the date of this Agreement; (r) the Company has received the Exchange Cap Stockholder Approval (or such approval is not required under the applicable rules of the Principal Market); (s) there is no breach of any covenant in any Transaction Document regardless of any applicable cure periods; (t) the Common Stock is not subject to any DTC “chill” or similar event; and (u) no event or circumstance has had or would reasonably be expected to have a Material Adverse Effect on the Company or any of its Subsidiaries.

“Evaluation Date” shall have the meaning assigned to such term in Section 3.1(y).

“Event of Default” shall have the meaning assigned to such term in the Notes.

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

“Exchange Cap Stockholder Approval” shall have the meaning assigned to such term in Section 4.13.

“Exchange Cap Stockholder Approval Date” shall have the meaning assigned to such term in Section 4.13.

“Exchange Cap Stockholder Meeting” shall have the meaning assigned to such term in Section 4.13.

“Exchange Cap Stockholder Meeting Deadline” shall have the meaning assigned to such term in Section 4.13.

“**Exchange Cap Stockholder Resolutions**” shall have the meaning assigned to such term in Section 4.13.

“**Exchange Share Cap**” shall have the meaning assigned to such term in Section 4.13.

“**Exchange Rate**” shall have the meaning assigned to such term in Section 5.14.

“**Excluded Securities**” means the issuance of (a) shares of Common Stock, share options, restricted share units and performance share units to employees, officers or directors of, or consultants to the Company pursuant to any equity incentive plan or employee share purchase plan duly adopted for such purpose, (b) shares of Common Stock upon the exercise or exchange of or conversion of any of the Securities and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with share splits or combinations) or to extend the term of such securities, and (c) securities issued pursuant to acquisitions, mergers, consolidations, purchases of the assets of a corporation or other entity, or strategic transactions approved by a majority of the disinterested directors of the Company, provided that such securities are issued as “restricted securities” (as defined in Rule 144) and provided further that any such issuance shall only be to a Person (or to the equity holders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities, which are issued as restricted securities (within the meaning of Rule 144) and are not afforded registration rights.

“**Financial Statements**” has the meaning given such term in Section 3.1(h).

“**Governmental Authority**” means any nation, state, county, city, town, village, district, or other political jurisdiction of any nature, federal, state, local, municipal, foreign, or other government, governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal), multi-national organization or body; or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature or instrumentality of any of the foregoing, including any entity or enterprise owned or controlled by a government or a public international organization or any of the foregoing.

“**Haynes and Boone**” means Haynes and Boone, LLP, with offices located at 30 Rockefeller Plaza, 22nd Floor, New York, NY 10112.

“**Holder**” shall have the meaning assigned to such term in the Notes.

“**Indebtedness**” shall have the meaning assigned to such term in the Notes.

“**Intellectual Property Rights**” shall have the meaning assigned to such term in Section 3.1(n).

“**Issuer Covered Person**” shall have the meaning assigned to such term in Section 3.1(dd).

“**IT Systems and Data**” shall have the meaning assigned to such term in Section 3.1(aa).

“**Judgment Currency**” shall have the meaning assigned to such term in Section 5.22(a).

“**Judgment Conversion Date**” shall have the meaning assigned to such term in Section 5.22(a).

“**Lead Investor**” means Alto Opportunity Master Fund, SPC –Segregated Master Portfolio B and its Affiliates, successors and assigns regardless of whether the Lead Investor or its Affiliates, successors and assigns holds any Securities at any time of determination.

“**Liens**” shall have the meaning assigned to such term in the Notes.

“**Material Adverse Effect**” shall have the meaning assigned to such term in Section 3.1(b).

“**Material Permit**” shall have the meaning assigned to such term in Section 3.1(l).

“**Maturity Date**” shall have the meaning assigned to such term in the Notes.

“**May Securities**” means the Senior Secured Convertible Notes due May 13, 2027, in the original principal amount of \$5,000,000, issued by the Company to the Buyers pursuant to that certain Securities Purchase Agreement, dated as of May 13, 2026, by and between the Company and the Buyers (the “**May SPA**”).

“**Measurement Period**” means, with respect to Release B or Release C, the thirty (30) consecutive Trading Day period immediately preceding the applicable Release Eligibility Date or, if requested by the Company and agreed in writing by the Buyers, such shorter period as so requested by the Company (and agreed to in writing by the Buyers).

“**Maximum Rate**” shall have the meaning assigned to such term in Section 5.15.

“**Money Laundering Laws**” shall have the meaning assigned to such term in Section 3.1(x).

“**Notes**” means the Senior Secured Convertible Notes due August 16, 2027, issued and sold by the Company to the Buyers pursuant to this Agreement at the Closing, in the form of **Exhibit A** attached hereto.

“**Notice Deadline**” shall have the meaning assigned to such term in Section 4.9(b)(ii).

“**OFAC**” shall have the meaning assigned to such term in Section 3.1(x).

“**Options**” means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

“**Participation Maximum**” shall have the meaning assigned to such term in Section 4.9(a).

“**Permits**” means all permits, licenses, registrations, certificates, orders, approvals, authorizations, consents, waivers, franchises, variances and similar rights issued by or obtained from any Governmental Authority.

“**Permitted Liens**” shall have the meaning assigned to such term in the Notes.

“**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.

“**Placement**” shall have the meaning assigned to such term in Section 4.9(a).

“**Placement Notice**” shall have the meaning assigned to such term in Section 4.9(b)(i).

“**Principal Amount**” means, as to each Buyer, the amounts set forth below such Buyer’s signature block on the signature pages hereto next to the heading “Principal Amount of Notes,” which shall equal \$5,000,000.

“**Principal Market**” shall have the meaning assigned to such term in the Notes.

“**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.

“**Registration Rights Agreement**” means the Registration Rights Agreement, dated on or about the date hereof, among the Company and the Buyers, in the form of **Exhibit B** attached hereto.

“**Registration Statement**” means a registration statement meeting the requirements set forth in the Registration Rights Agreement and covering the resale by the Buyers of the Underlying Shares.

“**Release Conditions**” means, with respect to Release B and Release C, that each of the following conditions shall have been satisfied during the applicable Measurement Period and on the applicable Release Eligibility Date: (i) the Equity Conditions are satisfied; (ii) the Registration Statement remains effective and Notes may be converted pursuant to such Registration Statement; (iii) the Company is in compliance with all exchange listing and maintenance requirements and expects to be in compliance for the foreseeable future; (iv) the Buyers shall be reasonably satisfied, based on publicly available information regarding the Company’s operating and financial condition (and taking into the funds to be so released from the Deposit Account and its anticipated operating expenses), that the Company has sufficient cash runway for the immediately succeeding three (3) month period; (v) no Event of Default and no event or circumstance that, with the passage of time or the giving of notice, would constitute an Event of Default shall have occurred and be continuing. The Buyers may waive the Release Conditions at their sole discretion; and (vi) with respect to Release Condition B, the execution and delivery of the Voting Agreements.

“**Release**” means each of Release A, Release B and Release C.

“**Release A**” shall have the meaning assigned to such term in Section 2.4.

“**Release B**” shall have the meaning assigned to such term in Section 2.4.

“**Release C**” shall have the meaning assigned to such term in Section 2.4.

“**Release Eligibility Date**” means, as applicable, the Release B Eligibility Date or the Release C Eligibility Date.

“**Required Approvals**” shall have the meaning assigned to such term in Section 3.1(e).

“**Required Minimum**” has the meaning assigned to such term in Section 4.12.

“**Required Holders**” means (i) prior to the Closing Date, each Buyer entitled or required to purchase Notes at the Closing and (ii) after the Closing Date, Lead Investor.

“**Rule 144**” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such rule may be amended or interpreted 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**” as defined in Section 3.1(h).

“**Securities**” means the Notes, the Warrants, the Conversion Shares and the Warrant Shares.

“**Securities Act**” shall have the meaning assigned to such term in the recital paragraph to this Agreement.

“**Security Documents**” means the security agreement, substantially in the form attached hereto as Exhibit C, and any other documents and filings required thereunder in order to grant the Buyers a first priority security interest in substantially all of the assets and property of the Company.

“**Selling Stockholders**” shall have the meaning assigned to such term in the Registration Rights Agreement.

“**Short Sales**” means all “short sales” as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include locating and/or borrowing shares of Common Stock).

“**Standstill Period**” shall have the meaning set forth in Section 4.15.

“**Underlying Shares**” means, collectively, the Conversion Shares and the Warrant Shares.

“**Subscription Amount**” means, as to each Buyer, the aggregate amount to be paid for the Notes purchased hereunder as specified below such Buyer’s name on the signature page of this Agreement and next to the heading “Subscription Amount for the Notes,” in U.S. Dollars and in immediately available funds. The aggregate “Subscription Amount” for the Notes shall be \$4,300,000.

“**Subsidiary**” or “**Subsidiaries**” means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in the Transaction Documents shall refer to a direct or indirect Subsidiary or Subsidiaries of the Company.

“**Trading Day**” shall have the meaning assigned to such term in the Notes.

“**Transaction Documents**” means this Agreement, the Notes, the Warrants, the Registration Rights Agreement, the Security Documents, the DACA, the Voting Agreements and all exhibits and schedules thereto and hereto and any other documents or agreements executed by the Company or any Subsidiary in connection with the transactions contemplated hereunder.

“**U.S. Dollars**” shall have the meaning assigned to such term in Section 5.14.

“**U.S. GAAP**” shall have the meaning assigned to such term in Section 3.1(h).

“**Voting Agreements**” means those certain voting agreements, to be executed and delivered by management, affiliates and insiders of the Company prior to the date of Release B, pursuant to which such persons agree to vote their shares of Common Stock in favor of the Exchange Cap Stockholder Approval.

“**Warrant Shares**” means the shares of Common Stock issuable upon exercise of the Warrants.

“**Warrants**” means the Common Stock purchase warrants issued to the Buyers at the Closing, in the form of **Exhibit D** attached hereto.

“**Variable Rate Transaction**” shall have the meaning assigned to such term in Section 4.10.

ARTICLE II. PURCHASE AND SALE

2.1 Closings.

(a) Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, the Company agrees to sell, and each Buyer, severally and not jointly, agrees to purchase from the Company the Notes and the Warrants as set forth on such Buyer’s signature page hereto. Each Buyer shall deliver to the Company, via wire transfer, immediately available funds equal to such Buyer’s Subscription Amount for the Closing as set forth on the signature page hereto executed by such Buyer, which Subscription Amount shall be deposited into the Deposit Account (or, if applicable, an account of the Collateral Agent), and the Company shall deliver to each Buyer its respective Note and Warrant, and the Company and each Buyer shall deliver the other items set forth in Section 2.2(a) deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2(a) and 2.3, the Closing shall take place remotely by electronic transfer of the Closing documentation.

2.2 Deliveries.

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

1. this Agreement duly executed by the Company;
2. a copy of a resolution of the Board of Directors of the Company: (x) approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party and authorizing a specified person or persons to execute those Transaction Documents on its behalf; and (y) authorizing a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with those Transaction Documents;
3. an ink-original Note registered in the name of such Buyer in accordance with its Principal Amount for the Closing;
4. the Registration Rights Agreement duly executed by the Company;
5. the Security Document duly executed by the Company;

6. the Warrants duly executed by the Company;

7. the DACA duly executed by the Company and the depository bank or, if the DACA is not available on the Closing Date, the Subscription Amount will be held in an account of the Collateral Agent as cash collateral; and

8. the Company's wire instructions.

(b) On or prior to the Closing Date, each Buyer shall deliver or cause to be delivered to the Company the following:

1. this Agreement duly executed by such Buyer;

2. the Security Documents duly executed by such Buyer and the Collateral Agent;

3. the Registration Rights Agreement duly executed by such Buyer; and

4. such Buyer's Subscription Amount for the Closing by wire transfer to the Deposit Account (or, if applicable, an account of the Collateral Agent).

2.3 Closing Conditions.

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

(i) the representations and warranties made by the Company in this Agreement (i) that are qualified by materiality or Material Adverse Effect shall be true and correct, and (ii) that are not qualified by materiality, shall be true and correct in all material respects, in each case, on and as of such date as if made on and as of such date, except to the extent any such representation and warranty expressly relates to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects (or all respects, as applicable) as of such earlier date;

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

(iii) the delivery by each Buyer of the items set forth in Section 2.2(b).

(b) The respective obligations of the Buyers hereunder in connection with the Closing are subject to the following conditions being met or waived, *provided, however* that such conditions may be waived, modified or amended by the Buyers who have purchased at least a majority-in-interest of the Notes based on the Subscription Amounts hereunder:

(i) the accuracy in all material respects when made and on the Closing Date of the representations and warranties of the Company contained herein, except to the extent expressly made as of a specific date, in which case they shall be accurate in all material respects, 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 2.2(a) or Section 2.2(b), as applicable;

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date of this Agreement;

(v) there shall be no Event of Default or any event or circumstance that would with the passage of time or giving of notice become an Event of Default that shall have occurred and be continuing; and

(vi) from the date of this Agreement to the Closing Date, trading in the Common Stock shall not have been suspended or halted by the Principal Market or the Commission (nor shall suspension or halt be threatened by the Principal Market or the Commission, including but not limited to, receipt by the Company of any notice of non-compliance with maintenance requirements by the Principal Market) and, at any time prior to the Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service nor shall a banking moratorium have been declared either by United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of such Buyer, makes it impracticable or inadvisable to purchase the Notes at the Closing.

(vii) all remaining cash deposits of the Company shall have been repatriated to the United States and held in the Company's accounts at Bank of America, N.A.;

(viii) the DACA shall have been duly executed and delivered by all parties thereto; and

2.4 DACA Release of Subscription Proceeds. Notwithstanding anything contained herein to the contrary, the Subscription Amount shall be deposited into the Deposit Account (or, if applicable, the account of the Collateral Agent) on the Closing Date and disbursed to the Company pursuant to the following release schedule:

(a) \$1,300,000 ("Release A") shall be released to the Company upon the Closing Date, with the remaining \$3,000,000 to be held in the Deposit Account subject to the DACA (or, if applicable, the account of the Collateral Agent);

(b) \$2,000,000 ("Release B") shall be released from the Deposit Account (or, if applicable, the account of the Collateral Agent) following the date on which the sum of the Outstanding Value of all Notes, inclusive of the May Securities, falls below \$6,500,000 (the "Release B Eligibility Date"), subject to satisfaction of the Release Conditions;

(c) \$1,000,000 ("Release C") shall be released from the Deposit Account (or, if applicable, the account of the Collateral Agent) following the date on which the sum of the Outstanding Value of all Notes, inclusive of the May Securities, falls below \$5,000,000 (the "Release C Eligibility Date"), subject to satisfaction of the Release Conditions.

2.5 The Buyers shall have the right to purchase up to an additional \$5,000,000 in Notes in one or more subsequent closings on the terms set forth herein.

**ARTICLE III.
REPRESENTATIONS AND WARRANTIES**

3.1 Representations and Warranties of the Company. The Company hereby makes the following representations and warranties as of the date hereof and as of the Closing Date:

(a) Subsidiaries. All of the direct and indirect Subsidiaries of the Company as of the date hereof are set forth on Schedule 3.1(a). The Company owns, directly or indirectly, all of the share capital or other equity interests of each Subsidiary free and clear of any Liens, and all of the issued and outstanding share capital of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation nor default of any of the provisions of its respective constitution, memorandum and articles of association, certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and the Subsidiaries 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, would 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, or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform or pay 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. The Company and any of its Subsidiaries (x) have not used any names (including fictitious names, d/b/as, trade names or similar names) within the past five years and (y) have not undergone any mergers or similar transactions, in each case other than those listed in Schedule 3.1(b). Schedule 3.1(b) lists the legal name, jurisdiction of formation and chief executive office (and any other office where books and records are maintained) of the Company and each direct and indirect subsidiary of the Company.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other 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 authorization, approval or action is required by the Company, the Board of Directors or the Company's shareholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other 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, administration, judicial management 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.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, the issuance and sale of the Notes and the consummation by it of the transactions contemplated hereby and thereby, including the issuance of the Conversion Shares, do not and will not: (i) conflict with or violate any provision of the Company's certificate of incorporation or bylaws, (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 (other than Permitted Liens) 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 receipt of the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of the Principal Market, or any court or Governmental Authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as would not have or reasonably be expected to result in a Material Adverse Effect.

(e) 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 foreign, federal, state, local or other Governmental Authority in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) the filing, recordation or registration of the Security Documents with respect to the Company and its Subsidiaries with the appropriate recording, filing or registration office and any other filings to be made under the Security Documents, (ii) the filing with the Commission of the Registration Statement pursuant to the Registration Rights Agreement, (iii) the notice and/or application(s) to each applicable Principal Market for the listing of the Conversion Shares for trading thereon in the time and manner required thereby, and (iv) the filings contemplated by Section 4.5 and Section 4.17 (collectively, the "**Required Approvals**").

(f) Issuance of the Securities. The Securities are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable and free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. The Underlying Shares, when issued in accordance with the terms of the Notes or Warrants, as applicable, will be validly issued, fully paid and nonassessable and free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. The Company has reserved from its duly authorized capital stock the maximum number of Underlying Shares issuable pursuant to the terms of the Notes and Warrants.

(g) Capitalization. As of the date hereof, the Company is authorized to issue up to 200,000,000 shares of Common Stock and up to 1,000,000 shares of preferred stock. The capitalization of the Company as of the date of this Agreement is set forth on Schedule 3.1(g). No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as disclosed in the SEC Reports, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire any shares of Common Stock or the share capital of any subsidiary, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock, Options or Convertible Securities or share capital of any Subsidiary. The issuance and sale of the Securities will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Buyers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities. There are no outstanding securities or instruments of the Company or any Subsidiary with any provision that adjusts the exercise, conversion, exchange or reset price of such security or instrument upon an issuance of securities by the Company or any Subsidiary. There are no outstanding securities or instruments of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to redeem a security of the Company or any such Subsidiary. The Company does not have any share appreciation rights or "phantom share" plans or agreements or any similar plan or agreement. All of the outstanding shares of Common Stock of the Company are duly authorized, validly issued, fully paid and non-assessable, have been issued in compliance with all applicable foreign, federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any shareholder, the Board of Directors or others is required for the issuance and sale of the Notes. Except as disclosed in the SEC Reports, there are no shareholders agreements, or other similar agreements with respect to the Company's share capital to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's shareholders.

(h) Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter periods as the Company was required by law or regulation to file such material) (the foregoing materials filed prior to the date hereof, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the “**SEC Reports**”) on a timely basis or has qualified for a valid extension of such filing. Such SEC Reports compiled in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Reports, (the “**Financial Statements**”) comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto at the time of the filing. The Financial Statements were prepared in accordance with U.S. generally accepted accounting principles (“**U.S GAAP**”) applied on a consistent basis during the periods involved, except as may be otherwise specified in such Financial Statements or the notes thereto and except that unaudited financial statements do not contain all footnotes required by U.S. GAAP, and fairly present in all material respects the financial position of the Company and its Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

(i) Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the most recent balance sheet included in the Financial Statements, except as disclosed in the SEC Reports: (i) there has been no event, occurrence or development that has had or that would reasonably be expected to result in a Material Adverse Effect, (ii) neither the Company nor any Subsidiary has incurred any liabilities (contingent or otherwise), (iii) the Company has not altered its method of accounting, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its share capital, and (v) the Company has not issued any equity securities. No event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective businesses, properties, operations, assets or financial condition, that would reasonably be expected to have a Material Adverse Effect and that has not been disclosed to the Buyers in the Transaction Documents or the disclosure schedules delivered in connection herewith.

(j) Litigation. Except as disclosed in the SEC Reports, there is no action, suit, inquiry, notice of violation, Proceeding or investigation of any nature pending or, to the knowledge of the Company, threatened against the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency, regulatory authority or self-regulatory organization (federal, state, county, local or foreign) (collectively, an “**Action**”) which, if there were an unfavorable decision, would individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. None of the Actions adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents. Except as disclosed in the SEC Reports, none of the Company, any Subsidiary, or any current director or officer thereof in their capacity thereof, is or has been for the last three (3) years the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by a Governmental Authority involving the Company or any current director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(k) Compliance. Neither the Company nor any Subsidiary: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary notice of a claim that it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any applicable judgment, decree or order of any court, arbitrator, Principal Market, governmental or administrative agency, regulatory authority, self-regulatory organization (federal, state, county, local or foreign) or other Governmental Authority, or (iii) is in violation of any applicable statute, rule, ordinance or regulation of any Governmental Authority, including without limitation all applicable foreign, federal, state and local laws relating to taxes, bribery and corruption, occupational health and safety, product quality and safety, employment and labor matters, employee benefits and laws related to the protection of the environment, except, in each case of clauses (i), (ii) and (iii), as would not reasonably be expected, individually or in the aggregate, to, have a Material Adverse Effect.

(l) Regulatory Permits. The Company and the Subsidiaries possess all Permits necessary to conduct their respective businesses, except where the failure to possess such Permits would not reasonably be expected to result in a Material Adverse Effect (a “**Material Permit**”) and neither the Company nor any Subsidiary has received any notice of Proceedings relating to the revocation or modification of any such Material Permit.

(m) Title to Assets. The Company and the Subsidiaries 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 Company and the Subsidiaries, in each case free and clear of all Liens, except for (i) Permitted Liens, (ii) Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiaries, and (iii) Liens for the payment of federal, state or other taxes, for which appropriate reserves have been made therefor in accordance with U.S GAAP and, the payment of which is neither delinquent nor subject to penalties. Any real property and facilities held under lease by the Company and the Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiaries are in compliance, except as would not have or reasonably be expected to result in a Material Adverse Effect. The Company and/or its direct and indirect subsidiaries own, lease or occupy real property located at the addresses listed in Schedule 3.1(m) and maintain equipment, inventory or other property at such addresses.

(n) Intellectual Property. The Company and the Subsidiaries 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 useful for the operation of their respective businesses and which the failure to so have would reasonably be expected to have a Material Adverse Effect (collectively, the “**Intellectual Property Rights**”). Except as disclosed in the SEC Reports, neither the Company nor any Subsidiary has received a written notice that any of the Intellectual Property Rights has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within two years from the date of this Agreement. Neither the Company nor any Subsidiary has received, since the date of the most recent balance sheet included in the Financial Statements, a written notice of a claim that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not have or reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, there is no existing infringement by another Person of any of 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 Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(o) Insurance. The Company and the Subsidiaries are 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 Company and the Subsidiaries are engaged, including, but not limited to, directors and officers insurance coverage in an amount customary for a publicly-traded company of similar market float. There are no pending claims against such directors and officers insurance coverage. Neither the Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a material increase in cost.

(p) Certain Fees. No brokerage or finder’s fees or commissions are or will be payable by the Company or any Subsidiaries to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Buyers shall have no obligation with respect to any claims made by or on behalf of other Persons for fees payable by the Company or any Subsidiary of a type contemplated in this Section that may be due in connection with the transactions contemplated by the Transaction Documents.

(q) No Registration. Assuming the accuracy of the Buyers' representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Notes by Company to the Buyers as contemplated hereby. To the Company's knowledge, the issuance and sale of the Notes hereunder does not contravene the rules and regulations of the Principal Market.

(r) No Directed Selling Efforts. Neither the Company nor any Person acting on its behalf has conducted any general solicitation, general advertising or directed selling efforts (within the meaning of the Securities Act) in connection with the offer or sale of any of the Securities.

(s) Disclosure. All of the disclosure furnished by or on behalf of the Company to the Buyers regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company acknowledges and agrees that no Buyer makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.2. Any press releases disseminated by the Company since January 1, 2025 that have been incorporated by reference into the SEC Reports, taken as a whole with the SEC Reports, do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made and when made, not materially misleading.

(t) Solvency; Seniority. Based on the consolidated financial condition of the Company and its Subsidiaries as of the Closing Date, after giving effect to the receipt by the Company of the proceeds from the sale of the Notes: (i) the fair saleable value of the Company's and its Subsidiaries' tangible assets exceeds the amount that will be required to be paid on or in respect of the Company's and its Subsidiaries' existing debts and other liabilities (including known contingent liabilities) as they mature, (ii) the Company's and its Subsidiaries' assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company and its Subsidiaries', consolidated and projected capital requirements and capital availability thereof, and (iii) the current cash flow of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its liabilities when such amounts are required to be paid. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for administration, judicial management, reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the Closing Date. Schedule 3.1(t) discloses all outstanding secured and unsecured Indebtedness of the Company and its Subsidiaries, or for which the Company or any Subsidiary has commitments. As of the Closing Date, no Indebtedness or other claim against the Company is senior to the Notes in right of payment, whether with respect to interest or upon liquidation or dissolution, or otherwise.

(u) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, the Company and its Subsidiaries each (i) has made or filed all United States federal, state and local income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes of the Company and its Subsidiaries in any material amount claimed in writing to be due by the taxing authority of any jurisdiction. The Company is not and has never been a United States real property holding corporation within the meaning of Section 897 of the Code and the Company shall so certify upon Buyer's reasonable request at any time.

(v) Acknowledgment Regarding Buyers' Purchase of Securities. The Company acknowledges and agrees that each of the Buyers is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Buyer is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Buyer or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Buyers' purchase of the Securities. The Company further represents to each Buyer that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(w) Acknowledgment Regarding Buyer's Trading Activity. It is understood and acknowledged by the Company that (i) none of the Buyers have been asked by the Company or any of its Subsidiaries to agree, nor has any Buyer agreed with the Company or any of its Subsidiaries, to desist from effecting any transactions in or with respect to any securities of the Company, or "derivative" securities based on securities issued by the Company or to hold any of the Securities for any specified term; (ii) each Buyer shall not be deemed to have any affiliation with or control over any arm's length counterparty in any "derivative" transaction; and (iii) each Buyer may rely on the Company's obligation to timely deliver shares of Common Stock upon conversion, exercise or exchange, as applicable, of the Notes as and when required pursuant to the Transaction Documents for purposes of effecting trading in the shares of Common Stock of the Company.

(x) Office of Foreign Assets Control; Money Laundering. Neither the Company nor any Subsidiary nor, to the Company's knowledge, any director, officer, agent, employee or Affiliate of the Company or any Subsidiary, is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("OFAC") or the equivalent law of any foreign jurisdiction. The operations of the Company and its Subsidiaries 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 1977, as amended, applicable money laundering statutes and applicable rules and regulations thereunder or the equivalent law of any foreign jurisdiction (collectively, the "**Money Laundering Laws**"), and no action, suit or Proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

(y) Sarbanes-Oxley; Internal Accounting Controls. Except as set forth in the SEC Reports, the Company is in compliance in all material respects with any applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof. Except as set forth in the SEC Reports, the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company as of the end of the period covered by the most recently filed periodic report under the Exchange Act (such date, the "**Evaluation Date**"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, except as set forth in the SEC Reports, there have been no changes in the internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting of the Company.

(z) Listing and Maintenance Requirements. The shares of Common Stock are registered pursuant to Section 12(b) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the shares of Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. Except as disclosed in the SEC Reports, the Company has not, in the twelve (12) months preceding the date hereof, received notice from the Principal Market to the effect that the Company is not in compliance with the listing or maintenance requirements of the Principal Market. The Company is, and, to the Company's knowledge, has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements. The shares of Common Stock are currently eligible for electronic transfer through the Depository Trust Company and the Company is current in payment of the fees to the Depository Trust Company in connection with such electronic transfer.

(aa) Cybersecurity. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (i) there has been no security breach or other compromise of or relating to any of the Company's or any Subsidiary's information technology and computer systems, networks, hardware, software, data (including the data of its respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of it), equipment or technology (collectively, "**IT Systems and Data**"); (ii) the Company and the Subsidiaries have not been notified of, and has no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to its IT Systems and Data; or (iii) the Company and the Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification. The Company and the Subsidiaries have implemented and maintained commercially reasonable safeguards to maintain and protect its material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and Data and the Company and the Subsidiaries have implemented commercially reasonable backup and disaster recovery technology consistent with industry standards and practices.

(bb) Investment Company. The Company is not and immediately after receipt of payment for the Notes, will not be an “investment company” within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an “investment company” subject to registration under the Investment Company Act of 1940, as amended.

(cc) No-Off Balance Sheet Arrangements. There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or liabilities of the Company or any Subsidiary.

(dd) No Disagreements with Accountants and Lawyers. There are no material disagreements of any kind presently existing, or reasonably anticipated by the Company to arise, between the Company and the accountants and lawyers formerly or presently employed by the Company and the Company is current with respect to any material fees owed to its accountants and lawyers which could adversely affect the Company’s ability to perform any of its obligations under any of the Transaction Documents.

(ee) No Disqualification Events. With respect to the Securities to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company’s outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an “**Issuer Covered Person**”) is subject to any of the “**Bad Actor**” disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a “**Disqualification Event**”), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Buyers a copy of any disclosures provided thereunder.

(ff) Notice of Disqualification Events. The Company will notify the Buyers in writing, prior to the Closing Date of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, reasonably be expected to become a Disqualification Event relating to any Issuer Covered Person, in each case of which it is aware;

(gg) No Manipulation of Price. Neither the Company, its Subsidiaries, nor to the Company’s knowledge, any of its or its Subsidiaries’ employees or directors has taken or will take directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any security of the Company.

(hh) Application of Takeover Protections. The Company and the Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company’s certificate of incorporation (or similar charter documents) or the laws of the State of Delaware that is or would become applicable to the Buyers as a result of the Buyers and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including as a result of the Company’s issuance of the Securities and the Buyers’ ownership of the Securities.

3.2 Representations and Warranties of the Buyers. Each Buyer, for itself and for no other Buyer, hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (except to the extent expressly made as of a specific date therein, in which case they shall be accurate as of such date):

(a) Organization; Authority. Such Buyer is an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar 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 Buyer of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Buyer. Each Transaction Document to which it is a party has been duly executed by such Buyer, and when delivered by such Buyer in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Buyer, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium, administration, judicial management 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) Buyer Status. At the time such Buyer was offered the Securities, it was, and as of the date hereof it is, and on each date on which it converts any Notes, it will be either: (i) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), (a)(12), or (a)(13) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act. Such Buyer is acquiring the Securities, for its own account for investment purposes only and not with a view toward, or for sale in connection with, any distribution thereof, or with any present intention of distributing or selling the same; provided, this representation and warranty shall not be deemed to limit such Buyer's right to sell the Securities in compliance with applicable federal and state securities laws.

(c) Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, such Buyer has not, nor has any Person acting on behalf of or pursuant to any understanding with such Buyer, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as the time of the execution of the written term sheet on August 4, 2026, between such Buyer and the Company and ending immediately prior to the execution hereof. Other than to other Persons party to this Agreement or to such Buyer's representatives, including, without limitation, its officers, directors, partners, legal and other advisors, employees, agents and Affiliates, such Buyer has maintained confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to locating or borrowing shares in order to effect Short Sales or similar transactions in the future.

The Company acknowledges and agrees that the representations contained in Section 3.2 shall not modify, amend or affect such Buyer'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. The Buyers acknowledge and agree that neither the Company nor any Subsidiary makes or has made any representations or warranties with respect to the transactions contemplated hereby other than such representations and warranties.

**ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES**

4.1 Transfer Restrictions.

(a) The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of the Securities other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of a Buyer or in connection with a pledge as contemplated in Section 4.1(b), 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. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement, the Notes, the Warrants and the Registration Rights Agreement, as applicable, and shall have the rights and obligations of a Buyer under this Agreement, the Notes, the Warrants and the Registration Rights Agreement, as applicable.

(b) The Buyers agree to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Securities in the following form:

NEITHER THIS SECURITY NOR THE SECURITIES INTO WHICH THIS SECURITY IS CONVERTIBLE OR EXERCISABLE 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 OR EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

The Company acknowledges and agrees that a Buyer may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the Securities to a financial institution that is an "accredited investor" as defined in Rule 501(a) under the Securities Act and, if required under the terms of such arrangement, such Buyer may transfer pledged or secured Securities to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company. At the appropriate Buyer's expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of Securities may reasonably request in connection with a pledge or transfer of the Securities including, if the Underlying Shares are subject to registration pursuant to the Registration Rights Agreement, the preparation and filing of any required prospectus supplement under Rule 424(b)(3) under the Securities Act or other applicable provision of the Securities Act to appropriately amend the list of Selling Stockholders under the Registration Rights Agreement.

(c) Delivery of the Conversion Shares and the Warrant Shares shall be as set forth in the Notes and the Warrants, respectively. If all or any portion of a Note is converted, or all or any portion of a Warrant is exercised, when there is an effective registration statement (including a Registration Statement) to cover the resale of the applicable Conversion Shares or Warrant Shares, or if such Conversion Shares or Warrant Shares may be sold under Rule 144 without volume or manner-of-sale restrictions, or if such legend is not otherwise required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission), then such Conversion Shares or Warrant Shares shall be issued free of all legends. The Company shall cause counsel to the Company to deliver any standing legal opinion required by the transfer agent for the issuance of the Conversion Shares and Warrant Shares free of all legends in accordance with this Section 4.1(c).

(d) Each Buyer, severally and not jointly with the other Buyers, agrees with the Company that the Buyer will transfer the Securities only in compliance with applicable federal and state securities laws, as the case may be, and: (1) with respect to the Underlying Shares, pursuant to an effective resale Registration Statement covering the Buyer's resale of the Underlying Shares, which includes a prospectus that is current, and in the manner contemplated by such Registration Statement, including the "Plan of Distribution" contained therein, provided that the Buyer has not received oral or written notice from the Company that use of the prospectus is suspended or that the prospectus otherwise may not be used for transfers of the Underlying Shares; (2) after the six month anniversary of the date of acquisition of the applicable Notes or Warrants, as the case may be, in accordance with Rule 144, including the requirement of Rule 144(b)(1); or (3) pursuant to another exemption from the registration requirements of the Securities Act, provided, solely with respect to this clause (3), that the Buyer provides the Company with advance notice of such transfer and an opinion of counsel that the proposed transfer is exempt from the registration requirements of the Securities Act.

4.2 Furnishing of Information. Until the time that no Buyer owns Conversion Shares the Company covenants to maintain the registration of the shares of Common Stock under Section 12(b) or 12(g) of the Exchange Act and to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act and otherwise cause all public information requirements of Rule 144(c) to be satisfied.

4.3 Acknowledgment of Dilution. The Company acknowledges that the issuance of the Securities may result in dilution of the outstanding shares of Common Stock, which dilution may be substantial under certain market conditions. The Company further acknowledges that its obligations under the Transaction Documents, including, without limitation, its obligation to issue the Securities pursuant to the Transaction Documents, are unconditional and absolute and not subject to any right of set off, counterclaim, delay or reduction, regardless of the effect of any such dilution or any claim the Company may have against any Buyer and regardless of the dilutive effect that such issuance may have on the ownership of the other shareholders of the Company.

4.4 Redemption, Conversion and Exercise Procedures. The form of Conversion Notice included in the Notes and the form of Exercise Notice included in the Warrants set forth the totality of the procedures required of the Buyers in order to convert the Notes or exercise the Warrants, as applicable. No additional legal opinion, other information or instructions shall be required of the Buyers to convert their Notes or exercise the Warrants, except as expressly set forth in the Notes or Warrants, as applicable. The Company shall honor conversions of the Notes and exercises of the Warrants and shall deliver the Conversion Shares or Warrant Shares, as applicable, in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

4.5 Disclosure. The Company shall file a Current Report on Form 8-K, including copies of the Transaction Documents (or the forms thereof) as exhibits thereto, with the Commission within the time required by the Exchange Act. Upon the filing of such Form 8-K, the Company represents to the Buyers that it shall have publicly disclosed all “material, non-public information” delivered to any of the Buyers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. The Company and the Buyers shall consult with each other in issuing any other public announcements or press releases with respect to the transactions contemplated hereby, and neither the Company nor the Buyers shall issue any such public announcement or press release nor otherwise make any such public statement or communication without the prior consent of the Company, with respect to any disclosure of the Buyers, or without the prior consent of the Required Holders, with respect to any disclosure of the Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, then the disclosing party shall, to the extent lawful and practicable (having regard to time and in the case of the Company, the Company’s continuous disclosure obligations), promptly provide the other party with prior notice of such public announcement, press release, public statement or communication.

4.6 Disclosure of Material Information; No Obligation of Confidentiality.

(a) From the Closing Date, the Company covenants and agrees that neither it, nor any other Person acting on its behalf including any officer, director, employee or agent of the Company or its Subsidiaries will provide any Buyer or its agents or counsel with any information that the Company believes constitutes “material non-public information” unless prior thereto such Buyer shall have entered into a written agreement with the Company regarding the confidentiality and use of such information. The Company understands and confirms that each Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company. In the event of a breach of the foregoing covenant by the Company, or any of its Subsidiaries, or any of its or their respective officers, directors, employees and agents, in addition to any other remedy provided herein or in the Transaction Documents, the Company shall, unless otherwise agreed by the Required Holders, publicly disclose any “material non-public information” in a Form 8-K, as applicable, filed with the Commission within two (2) Business Day following the date that it discloses such information to any Buyer or such earlier time as may be required by applicable law. The Company shall provide any Form 8-K, as applicable, to be filed with the Commission pursuant to this Section 4.6(a) to the Buyer that received any “material non-public information” at least one (1) Business Day prior to the filing thereof. From and after the filing of any such Form 8-K, as applicable, pursuant to this Section 4.6(a), no Buyer shall be deemed to be in possession of any “material non-public information” regarding the Company existing as of the time of such filing. If the Company fails to file any Form 8-K, as applicable, within the time required in this Section 4.6(a), each affected Buyer may, in its sole discretion, make a public disclosure of such information that it believes in its discretion upon the advice of counsel constitutes “material non-public information” of the Company. Such affected Buyer shall provide a copy of such public disclosure pursuant to this Section 4.6(a) at least one (1) Business Day prior to the public disclosure thereof.

(b) Except pursuant to any confidentiality agreement entered into by a Buyer as described in Section 4.6(a), no Buyer shall be deemed to have any obligation of confidentiality with respect to (i) any non-public information of the Company disclosed to such Buyer in breach of Section 4.6(a) (whether or not the Company files a Form 8-K, as applicable, as provided above), (ii) the fact that any Buyer has exercised any of its rights and/or remedies under the Transaction Documents, or (iii) any information obtained by any Buyer as a result of exercising any of its rights and/or remedies under the Transaction Documents. In addition, no Buyer shall be deemed to be in breach of any duty to the Company and/or to have misappropriated any non-public information of the Company, if such Buyer engages in transactions of securities of the Company, including, without limitation, any hedging transactions or any “derivative” transactions while in possession of such non-public information.

4.7 Use of Proceeds. The Company shall use the net proceeds from the sale of the Notes hereunder for general corporate purposes, including, without limitation, the payment of the Company's outstanding franchise tax obligations owed to the State of Delaware, and shall not use such proceeds: (a) for the repayment of any Indebtedness (other than any repayment by the Company of the Notes), or (b) in violation of the Foreign Corrupt Practices Act of 1970, as amended or the equivalent law of any foreign jurisdiction, as applicable, or OFAC regulations or the equivalent law of any foreign jurisdiction, as applicable.

4.8 Indemnification. Subject to the provisions of this Section 4.8, the Company will indemnify and hold each Buyer and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Buyer (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Buyer Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs, awards, orders, penalties and expenses, including all judgments, amounts paid in settlements, court costs, interest and reasonable attorneys' fees and costs of investigation that any such Buyer Party may suffer or incur as a result of or relating to (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, (ii) any action instituted against the Buyer Parties in any capacity, or any of them or their respective Affiliates by the Company, any Subsidiary, any shareholder or creditor of the Company or other third party who is not an Affiliate of such Buyer Party, arising out of or relating to any of the transactions contemplated by the Transaction Documents. For the avoidance of doubt, the indemnification provided herein is intended to and shall cover direct claims brought by the Company against the Buyer Parties. If any action shall be brought against any Buyer Party in respect of which indemnity may be sought pursuant to this Agreement, such Buyer Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Buyer Party. Any Buyer Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Buyer Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Buyer Party, in which case the Company shall reimburse the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Buyer Party under this Agreement (y) for any settlement by a Buyer Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is finally judicially determined to be attributable to any Buyer Party's breach of any of the representations, warranties, covenants or agreements made by such Buyer Party in this Agreement or in the other Transaction Documents. The indemnification required by this Section 4.8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Buyer Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

4.9 Participation in Future Financing.

(a) From the date hereof through August 16, 2028, upon any issuance by the Company or any of its Subsidiaries of any shares of Common Stock, Convertible Securities, Options, preferred shares, Indebtedness or entry into any Variable Rate Transaction, in each case, for cash consideration, Indebtedness or a combination of units thereof (collectively, a “**Placement**”), Lead Investor shall have the right to purchase up to 30% of such Placement (the “**Participation Maximum**”), on the same terms, conditions and price provided for in Placement.

(b) In the case of a Placement:

(i) At least five (5) Business Days prior to the closing of a Placement, the Company shall deliver to Lead Investor a written notice asking Lead Investor if it consents to the receipt of material non-public information pursuant to this Section 4.9 (“**Pre-Notice**”). If Lead Investor consents to the receipt of material non-public information, it shall so notify the Company within two (2) Trading Days after receipt of the Pre-Notice. If Lead Investor so consents, the Company shall promptly, but no later than one (1) Trading Day after such consent, deliver the details of such proposed Placement (the “**Placement Notice**”) to Lead Investor. The Placement Notice shall describe in reasonable detail the proposed terms of such Placement, the amount of proceeds intended to be raised thereunder and the Person or Persons through or with whom such Placement is proposed to be effected and shall include a term sheet or similar document relating thereto as an attachment.

(ii) If desiring to participate in such Placement, Lead Investor shall provide written notice (the “**Participation Notice**”) to the Company by not later than 5:30 p.m. (New York City time) on the fifth (5th) Trading Day after delivery of the Placement Notice (the “**Notice Deadline**”), with such Participation Notice setting forth: (i) that Lead Investor is willing to participate in the Placement and willing to execute the relevant transaction documents for the Placement on the terms and conditions set forth in such transaction documents; (ii) the amount of Lead Investor’s participation; and (iii) Lead Investor representing and warranting that Lead Investor has such funds ready, willing, and available for investment on the terms set forth in the Placement. If Lead Investor fails to deliver the Participation Notice to the Company by the Notice Deadline, Lead Investor shall forfeit its right to participate in the Placement.

(iii) If Lead Investor’s Participation Notice is for less than the Participation Maximum, then the Company may effect the remaining portion of such Placement, including the difference between the amount to be purchased by Lead Investor and the Participation Maximum, on the terms and with the Persons set forth in the Placement.

(iv) The Company and Lead Investor agree that if any Buyer elects to participate in the Placement, the transaction documents related to the Placement shall not include any term or provision that, directly or indirectly, will, or is intended to, exclude Lead Investor from participating in a Placement, including, but not limited to, provisions whereby Lead Investor shall be required to agree to any restrictions on trading as to any of the Securities purchased hereunder or be required to consent to any amendment to or termination of, or grant any waiver, release or the like under or in connection with, this Agreement, without the prior written consent of Lead Investor; provided, however, that in the event any such term or provision is included in such transaction documents, and Lead Investor executes such transaction documents, the execution thereof shall be considered Lead Investor’s prior written consent thereto.

(v) Notwithstanding anything to the contrary in this Section 4.9 and unless otherwise agreed to by Lead Investor, the Company will either confirm in writing to Lead Investor that the transaction with respect to the Placement has been abandoned or will deliver a notice to Buyer of its intention to issue the securities in the Placement, in either case by the tenth (10th) Business Day following the Notice Deadline. If by such tenth (10th) Business Day following the Notice Deadline, no public disclosure regarding a transaction with respect to the Placement has been made, and no notice regarding such transaction has been received by Lead Investor, such transaction shall be deemed to have been abandoned and Lead Investor shall not be deemed to be in possession of any material, non-public information with respect to the Company or any of its Subsidiaries.

(vi) Notwithstanding anything contained herein to the contrary, the Lead Investor may exchange any outstanding Notes for the securities issued in the Placement at the subscription price for such securities on a dollar-for-dollar basis.

(vii) In the event that the Company fails to notify Lead Investor of a Placement in accordance with paragraph (b) of this Section 4.9 or otherwise fails to comply with any of the provisions of this Section 4.9, then the Lead Investor shall have the right, by delivering a written notice to the Company, during the thirty (30) day calendar period commencing on the date of the first public announcement of the Placement to, at the Lead Investor's option, participate in the Placement or subscribe for the securities offered in such Placement in a separate transaction on substantially equivalent terms as that of the Placement.

(viii) The provisions of this Section 4.9 shall not apply to: (i) the issuance of any Excluded Securities and/or (ii) any shares of Common Stock issued and sold pursuant to an ATM Program at prevailing market prices for the shares of Common Stock by a bona fide investment bank.

4.10 Variable Rate Transactions. From the date hereof and for the later of the Commitment Period (as defined below) or so long as any Notes remain outstanding, the Company shall be prohibited from, other than with the Lead Investor or one of its Affiliates, effecting or entering into an agreement to effect any issuance by the Company or any of its Subsidiaries of shares of Common Stock, Options or Convertible Securities (or a combination of units thereof) involving a Variable Rate Transaction. "**Variable Rate Transaction**" means a transaction in which the Company agrees to or enters into an agreement to (i) issue or sell any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the shares of Common Stock at any time after the initial issuance of such debt or equity securities, or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the shares of Common Stock or (ii) enters into, or effects a transaction under, any agreement, including, but not limited to, an equity line of credit, whereby the Company may issue securities at a future determined price. Notwithstanding the foregoing, the term "**Variable Rate Transaction**" shall not include (i) the offer and sale of shares of Common Stock by the Company pursuant to an ATM Program, and (ii) any Excluded Securities. Lead Investor shall be entitled to obtain injunctive relief against the Company to preclude any such issuance, which remedy shall be in addition to any right to collect damages. In addition, the Company and the Lead Investor shall not be prohibited from executing or entering into a Variable Rate Transaction with each other at any time. Notwithstanding the foregoing, the Company may enter into an ATM Program. The Company shall not effect sales under an ATM Program within five (5) Trading Days of any conversion by the Lead Investor. The Company covenants and agrees that it will not enter into any agreement, undertaking or covenant with a third party that prohibits the Company or its Subsidiaries from entering into, effecting or announcing a Variable Rate Transaction or similar transaction with the Lead Investor or its Affiliates at any time. "**Commitment Period**" means the period from the Closing Date through the date on which all Notes issued hereunder have been repaid or converted in full.

4.11 Collateral Agent.

(a) Each Buyer hereby (i) appoints Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B, as the collateral agent hereunder and under the other Security Documents (in such capacity, the “**Collateral Agent**”), and (ii) authorizes the Collateral Agent (and its officers, directors, employees and agents) to take such action on such Buyer’s behalf in accordance with the terms hereof and thereof. The Collateral Agent shall not have, by reason hereof or of any of the other Security Documents, a fiduciary relationship in respect of any Buyer. Neither the Collateral Agent nor any of its officers, directors, employees or agents shall have any liability to any Buyer for any action taken or omitted to be taken in connection herewith or with any other Security Document except to the extent caused by its own gross negligence or willful misconduct, and each Buyer agrees to defend, protect, indemnify and hold harmless the Collateral Agent and all of its officers, directors, employees and agents (collectively, the “**Collateral Agent Indemnitees**”) from and against any losses, damages, liabilities, obligations, penalties, actions, judgments, suits, fees, costs and expenses (including, without limitation, reasonable attorneys’ fees, costs and expenses) incurred by such Collateral Agent Indemnitee, whether direct, indirect or consequential, arising from or in connection with the performance by such Collateral Agent Indemnitee of the duties and obligations of Collateral Agent pursuant hereto or any of the Security Documents. The Collateral Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Holders, and such instructions shall be binding upon all holders of Notes; provided, however, that the Collateral Agent shall not be required to take any action which, in the reasonable opinion of the Collateral Agent, exposes the Collateral Agent to liability or which is contrary to this Agreement or any other Transaction Document or applicable law. The Collateral Agent shall be entitled to rely upon any written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Transaction Documents and its duties hereunder or thereunder, upon advice of counsel selected by it.

(b) The Collateral Agent may resign from the performance of all its functions and duties hereunder and under the other Transaction Documents at any time by giving at least ten (10) Business Days’ prior written notice to the Company and each holder of Notes. Such resignation shall take effect upon the acceptance by a successor Collateral Agent of appointment pursuant to clauses (c) and (d) below or as otherwise provided below. If at any time the Collateral Agent does not (together with its affiliates) beneficially own any Notes, the Required Holders may, by written consent, remove the Collateral Agent from all its functions and duties hereunder and under the other Transaction Documents.

(c) Upon any such notice of resignation or removal, the Required Holders shall appoint a successor collateral agent. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor agent, such successor collateral agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the collateral agent, and the Collateral Agent shall be discharged from its duties and obligations under this Agreement and the other Transaction Documents. After the Collateral Agent’s resignation or removal hereunder as the collateral agent, the provisions of this Section 4.11 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Collateral Agent under this Agreement and the other Transaction Documents.

(d) If a successor Collateral Agent shall not have been so appointed within ten (10) Business Days of receipt of a written notice of resignation or removal, the Collateral Agent shall then appoint a successor collateral agent who shall serve as the Collateral Agent until such time, if any, as the Required Holders appoint a successor collateral agent as provided above.

(e) In the event that a successor Collateral Agent is appointed pursuant to the provisions of this Section 4.11 that is not a Buyer or an affiliate of any Buyer (or the Required Holders or the Collateral Agent (or its successor), as applicable, notify the Company that they or it wants to appoint such a successor Collateral Agent pursuant to the terms of this Section 4.11), the Company and each Subsidiary thereof covenants and agrees to promptly take all actions reasonably requested by the Required Holders or the Collateral Agent (or its successor), as applicable, from time to time, to secure a successor Collateral Agent satisfactory to the requesting part(y)(ies), in their sole discretion, including, without limitation, by paying all reasonable and customary fees and expenses of such successor Collateral Agent, by having the Company and each Subsidiary thereof agree to indemnify any successor Collateral Agent pursuant to reasonable and customary terms and by each of the Company and each Subsidiary thereof executing a collateral agency agreement or similar agreement and/or any amendment to the Security Documents reasonably requested or required by the successor Collateral Agent.

4.12 Reservation of Shares. The Company shall reserve from its authorized and unissued shares of Common Stock, shares of Common Stock equal to 150% of (a) the Conversion Shares issuable upon conversion of the Notes (assuming for purposes hereof that the Notes are convertible at the Redemption Conversion Price (as defined in the Notes)) as of the date hereof, plus (b) the Warrant Shares issuable upon exercise of the Warrants (the “Required Minimum”).

4.13 Special Meeting of Stockholders. The Company shall provide each stockholder entitled to vote at a special meeting of stockholders of the Company (the “**Exchange Cap Stockholder Meeting**”), which shall be promptly called and held not later than October 6, 2026 (the “**Exchange Cap Stockholder Meeting Deadline**”), a proxy statement, in a form reasonably acceptable to the Buyers and Haynes and Boone, LLP, at the expense of the Company, with the Company obligated to reimburse the expenses of Haynes and Boone LLP incurred in connection therewith up to a maximum of \$5,000, soliciting each such stockholder’s affirmative vote at the Exchange Cap Stockholder Meeting for approval of resolutions (“**Exchange Cap Stockholder Resolutions**”) providing for the issuance of more than 12,256,260 shares of Common Stock (representing 19.99% of the outstanding shares of Common Stock on the date of the May SPA) (“**Exchange Share Cap**”) at an issue price below the “minimum price” in payment of interest, amortization, redemption and settlement of conversions of the Notes, the May Securities and exercise of the Warrants, in each case, in accordance with Nasdaq Listing Rule 5635 (the “**Exchange Cap Stockholder Approval**”) and the date the Exchange Cap Stockholder Approval is obtained, the “**Exchange Cap Stockholder Approval Date**”), and the Company shall use its reasonable best efforts to solicit its stockholders’ approval of such resolutions and to cause the Board of Directors of the Company to recommend to the stockholders that they approve such resolutions. The Company shall be obligated to seek to obtain the Exchange Cap Stockholder Approval by the Exchange Cap Stockholder Meeting Deadline. If, despite the Company’s reasonable best efforts the Exchange Cap Stockholder Approval is not obtained on or prior to the Exchange Cap Stockholder Meeting Deadline, the Company shall cause an additional Exchange Cap Stockholder Meeting to be held on or prior to the date that is four months after the Exchange Cap Stockholder Meeting Deadline. If, despite the Company’s reasonable best efforts the Exchange Cap Stockholder Approval is not obtained after such subsequent stockholder meetings, the Company shall cause an additional Exchange Cap Stockholder Meeting to be held semi-annually thereafter until such Exchange Cap Stockholder Approval is obtained.

4.14 Principal Market Limitation. Notwithstanding anything in this Agreement or the other Transaction Documents to the contrary, prior to the receipt of the Exchange Cap Stockholder Approval, the Company shall not issue any shares of Common Stock pursuant to the Notes, the May Securities or upon exercise of the Warrants if such issuance would cause the aggregate number of shares of Common Stock issued pursuant to the Notes, the May Securities and upon exercise of the Warrants to exceed the Exchange Share Cap.

4.15 Standstill. From the date hereof until the date that is 90 Trading Days after the Registration Statement is declared effective by the Commission (the “**Standstill Period**”), neither the Company nor any Subsidiary shall (i) issue, enter into any agreement to issue or announce the issuance or proposed issuance of any shares of Common Stock, Convertible Securities or Options other than Excluded Securities, or (ii) file any registration statement or any amendment or supplement thereto, other than (a) filing a registration statement on Form S-8 in connection with any employee benefit plan, (b) filing post-effective amendment on Form S-3 in connection with the existing shelf registration statement filed by the Company, and (c) the issuance of shares of Common Stock pursuant to an ATM Program established or maintained by the Company with a registered broker-dealer, provided that (i) such sales are made at prevailing market prices, (ii) such sales are conducted in the ordinary course of business and not as part of any negotiated transaction, (iii) no Variable Rate Transaction is effected in connection therewith, (iv) such ATM Program is conducted in compliance with applicable securities laws and the rules of the Trading Market, and (v) prior to the expiration of the Standstill Period, gross proceeds from sales of shares of Common Stock under the ATM Program shall be subject to the following limitations:

(A) gross proceeds from sales of shares of Common Stock under the ATM Program at a price per share at or above \$1.50 but less than \$2.50 shall not exceed \$2,500,000 in the aggregate;

(B) gross proceeds from sales of shares of Common Stock under the ATM Program at a price per share at or above \$2.50 but less than \$4.00 shall not exceed an additional \$2,500,000 in the aggregate (such that aggregate gross proceeds from all sales under the ATM Program at prices at or above \$1.50 per share shall not exceed \$5,000,000 in the aggregate); and

(C) gross proceeds from sales of shares of Common Stock under the ATM Program at a price per share at or above \$4.00 shall not exceed an additional \$5,000,000 in the aggregate (such that aggregate gross proceeds from all sales under the ATM Program shall not exceed \$10,000,000 in the aggregate).]

4.16 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) that would be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Securities or that would be integrated with the offer or sale of the Securities for purposes of the rules and regulations of the Principal Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

4.17 Form D; Blue Sky Filings. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof, promptly upon request of any Buyer. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Securities for, sale to the Buyers at the Closing under applicable securities or “Blue Sky” laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any Buyer.

ARTICLE V.
MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, 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, provided that the Company shall pay all reasonable fees and expenses of the Buyers incurred in connection with the transactions contemplated by the Transaction Documents. The Company shall pay all stamp taxes and other similar taxes and duties levied in connection with the delivery of any Securities to the Buyers.

5.2 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 thereof 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.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or email attachment as set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Business Day, (b) 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 as set forth on the signature pages attached hereto on a day that is not a Business Day or later than 5:30 p.m. (New York City time) on any Business Day, (c) the second Business Day following the date of mailing, if sent by a nationally recognized overnight courier service, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K.

5.4 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Required Holders 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.

5.5 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.

5.6 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 Required Holders. Any Buyer may assign, with written notice to the Company of such assignment, any or all of its rights under this Agreement to any Person to whom such Buyer assigns or transfers any Securities in compliance with the Transaction Documents, provided that such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the "Buyers."

5.7 No Third Party Beneficiaries. This Agreement is intended for 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, except as otherwise set forth in Section 4.8 and this Section 5.7.

5.8 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 conflicts of law thereof. Each party agrees that all Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective Affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan 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 any such court, that such suit, action or Proceeding is improper or is an 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 law.

5.9 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Notes.

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 each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docuSign.com) or other transmission method 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 were an original thereof.

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.

5.12 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 and receipt of a customary lost security affidavit and indemnity. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity against any claim that may be made against the Company with respect to the certificate alleged to have been mutilated, lost, stolen, or destroyed) associated with the issuance of such replacement Securities.

5.13 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Buyers 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. The Company acknowledges and agrees that its obligation to pay and perform its obligations under Notes in accordance with the terms thereof is absolute and unconditional. Accordingly, in no event shall any determination or allegation that a Buyer is (i) an unregistered securities dealer (within the meaning of the Exchange Act), (ii) acting as an underwriter with respect to the Company's securities, (iii) engaged in a distribution (within the meaning of Section 2(a)(11) of the Securities Act) of the Company's shares of Common Stock or (iv) the transactions contemplated by the Transaction Documents or a Buyer's trading activities violate public policy or any applicable federal or state securities laws, in any case, be a defense to the Company's obligation to repay any amounts due and payable to a Buyer under the Notes.

5.14 Payment Set Aside; Currency. To the extent that the Company makes a payment or payments to any Buyer hereunder or pursuant to any of the other Transaction Documents or any of the Buyers enforce or exercise their rights hereunder or thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred. Unless otherwise expressly indicated, all dollar amounts referred to in this Agreement and the other Transaction Documents are in United States Dollars ("**U.S. Dollars**"), and all amounts owing under this Agreement and all other Transaction Documents shall be paid in U.S. Dollars. All amounts denominated in other currencies (if any) shall be converted into the U.S. Dollar equivalent amount in accordance with the Exchange Rate on the date of calculation. "**Exchange Rate**" means, in relation to any amount of currency to be converted into U.S. Dollars pursuant to this Agreement, the U.S. Dollar exchange rate as published in the Wall Street Journal on the relevant date of calculation.

5.15 Usury. To the extent it may lawfully do so, the Company hereby agrees not to insist upon or plead or in any manner whatsoever claim, and will resist any and all efforts to be compelled to take the benefit or advantage of, usury laws wherever enacted, now or at any time hereafter in force, in connection with any claim, action or Proceeding that may be brought by any Buyer in order to enforce any right or remedy under any Transaction Document. 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 Buyer with respect to indebtedness evidenced by the Transaction Documents, such excess shall be applied by such Buyer to the unpaid principal balance of any such indebtedness or be refunded to the Company, the manner of handling such excess to be at such Buyer’s election.

5.16 Independent Nature of Buyers’ Obligations and Rights. The obligations of each Buyer under any Transaction Document are several and not joint with the obligations of any other Buyer, and no Buyer shall be responsible in any way for the performance or non-performance of the obligations of any other Buyer under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Buyer pursuant hereto or thereto, shall be deemed to constitute the Buyers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Buyers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Buyer shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Buyer to be joined as an additional party in any Proceeding for such purpose. The Company has elected to provide all Buyers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any of the Buyers.

5.17 Liquidated Damages. The Company’s obligations to pay any partial liquidated damages or other amounts owing under the Transaction Documents is a continuing obligation of the Company and shall not terminate until all unpaid partial liquidated damages and other amounts have been paid notwithstanding the fact that the instrument or security pursuant to which such partial liquidated damages or other amounts are due and payable shall have been canceled.

5.18 Saturdays, Sundays, Holidays, etc. 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.

5.19 Construction. The parties agree that each of them and/or their respective counsel have 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 thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward share splits, share dividends, share combinations and other similar transactions of the shares of Common Stock that occur after the date of this Agreement.

5.20 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.

5.21 Termination. This Agreement may be terminated by any Buyer, as to such Buyer's obligations hereunder only and without any effect whatsoever on the obligations between the Company and the other Buyers, by written notice to the other parties, if the Closing has not been consummated on or before the tenth (10th) Trading Day following the date hereof, provided, however, that no such termination will affect the right of any party to sue for any breach by any other party (or parties).

5.22 Judgment Currency.

(a) If for the purpose of obtaining or enforcing judgment against the Company in connection with this Agreement or any other Transaction Document in any court in any jurisdiction it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 5.22 referred to as the "**Judgment Currency**") an amount due in U.S. Dollars under this Agreement, the conversion shall be made at the Exchange Rate prevailing on the Business Day immediately preceding:

(i) the date actual payment of the amount due, in the case of any Proceeding in the courts of New York or in the courts of any other jurisdiction that will give effect to such conversion being made on such date: or

(ii) the date on which the foreign court determines, in the case of any Proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 5.22 being hereinafter referred to as the "**Judgment Conversion Date**").

(b) If in the case of any Proceeding in the court of any jurisdiction referred to in Section 5.22(a), there is a change in the Exchange Rate prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable party shall pay such adjusted amount as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the Exchange Rate prevailing on the date of payment, will produce the amount of U.S. Dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the Exchange Rate prevailing on the Judgment Conversion Date.

(c) Any amount due from the Company under this provision shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement or any other Transaction Document.

5.23 Acknowledgment Regarding Relationship. The parties hereto acknowledge and agree that each party hereto is acting solely in the capacity of an arm's length contractual counterparty. Each party hereto further acknowledges and agrees that no Buyer is acting as a financial advisor, underwriter, broker, dealer or agent of the Company or any of its Subsidiaries in any respect (whether pursuant to the transactions contemplated hereby or otherwise).

[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 first indicated above.

FingerMotion, Inc.

By: _____
Name: Jolie Kahn
Title: Chief Executive Officer

Address for Notice:

700 S. Rosemary Avenue, Suite 204
West Palm Beach, Florida 33401

E-mail: jolie.kahn@fingermotion.com

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

Jolie Kahn, Esq.
700 S. Rosemary Avenue, Suite 204
West Palm Beach, Florida 33401
Jolie.kahn@fingermotion.com

Signature Page to Securities Purchase Agreement

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Buyer: Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B

Signature of Authorized Signatory of Buyer: _____

Name of Authorized Signatory: Waqas Khatri

Title of Authorized Signatory: Managing Member

Email Address of Authorized Signatory: wk@ayrtonllc.com

Facsimile Number of Authorized Signatory: N/A

Address for Notice to Buyer:

c/o Ayrton Capital LLC
55 Post Road West, 2nd Floor
Westport CT 06880

Address for Delivery of Securities to Buyer:

c/o Ayrton Capital LLC
55 Post Road West, 2nd Floor
Westport CT 06880

Subscription Amount for the Notes: **\$4,300,000**

Principal Amount of Notes: **\$5,000,000**

Signature Page to Securities Purchase Agreement

EXHIBIT A
FORM OF NOTES

[Attached.]

EXHIBIT B

FORM OF REGISTRATION RIGHTS AGREEMENT

[Attached.]

EXHIBIT C

FORM OF SECURITY DOCUMENT

[Attached.]

EXHIBIT D
FORM OF WARRANT

[Attached.]

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 WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

Original Issue Date: August 16, 2026

Original Principal Amount: \$5,000,000

SENIOR SECURED CONVERTIBLE NOTE

DUE AUGUST 16, 2027

THIS SENIOR SECURED CONVERTIBLE NOTE is one of a series of duly authorized and validly issued Senior Secured Notes of FingerMotion, Inc., a Delaware corporation (the “Company”), having its principal place of business at c/o FingerMotion, Inc. 111 Somerset Road, Level 3, Singapore 238164, designated as its Senior Secured Convertible Note due August 16, 2027 (this note, the “Note” and, collectively with the other notes of such series, the “Notes”).

FOR VALUE RECEIVED, the Company promises to pay to Alto Opportunity Master Fund, SPC –Segregated Master Portfolio B or its registered assigns (the “Holder”), or shall have paid pursuant to the terms hereunder, the Outstanding Value on August 16, 2027 (the “Maturity Date”) or such earlier date as this Note is required or permitted to be repaid as provided hereunder, and to pay interest to the Holder on the aggregate unconverted and then Outstanding Principal Amount of this Note in accordance with the provisions hereof. This Note 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 Purchase Agreement and (b) 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 under the Securities Act.

“Alternate Conversion Date” shall have the meaning set forth in Section 8(b)(ii).

“Alternate Conversion Price” means the lesser of (but not lower than the prevailing Floor Price): (i) the Fixed Conversion Price then in effect; (ii) 80% of the lowest daily VWAP during the seven (7) consecutive Trading Days ending on and including the applicable Alternate Conversion Date; and (iii) 80% of the lowest daily VWAP during the seven (7) consecutive Trading Days ending on and including the first Trading Day of the applicable Event of Default Redemption Right Period.

“Acquisition” means the acquisition by the Company or any Subsidiary of another Person or all or substantially all of the assets of another Person (or any business unit thereof).

“Applicable Rate” means (a) if no Event of Default has occurred and is continuing, a per annum rate of zero percent (0%) and (b) if an Event of Default has occurred and is continuing, a per annum rate of twelve percent (12%).

“Available Cash” means, with respect to any date of determination, an amount equal to the aggregate amount of the cash and Cash Equivalents of the Company and its Subsidiaries (excluding for this purpose cash held in restricted accounts or otherwise unavailable for unrestricted use by the Company or any of its Subsidiaries for any reason) as of such date of determination.

“Average Cash Burn” means, with respect to Company and its Subsidiaries as of any date in question, an amount equal to the negative change in Available Cash for the trailing three (3) month period immediately preceding such date divided by three (3).

“Bankruptcy Event” means any of the following events: (a) the Company or any Subsidiary thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, restructuring or liquidation or similar law of any jurisdiction relating to the Company or any Subsidiary thereof, (b) there is commenced against the Company or any Subsidiary thereof any such case or proceeding that is not dismissed within 60 days after commencement, (c) the Company or any 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 Subsidiary thereof suffers any appointment of any custodian or the like for it or any material part of its property that is not discharged or stayed within 60 calendar days after such appointment, (e) the Company or any Subsidiary thereof makes a general assignment for the benefit of creditors, (f) the Company or any Subsidiary thereof calls a meeting of all of its creditors with a view to arranging a composition, adjustment or restructuring of its debts, (g) the Company or any Subsidiary thereof admits in writing that it is generally unable to pay its debts as they become due, (h) the Company or any Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing.

“Beneficial Ownership Limitation” shall have the meaning set forth in Section 4(d).

“Business Day” shall have the meaning assigned to such term in the Purchase Agreement.

“Buy-In” shall have the meaning set forth in Section 4(c)(v).

“Cash Equivalents” means, as at any date of determination, (a) marketable securities (i) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government, or (ii) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one year after such date, (b) certificates of deposit or bankers’ acceptances maturing within one year after such date and issued or accepted by any Holder or by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that (i) is at least “adequately capitalized” (as defined in the regulations of its primary Federal banking regulator), and (ii) has Tier 1 capital (as defined in such regulations) of not less than \$100,000,000, and (c) shares of any money market mutual fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clause (a) above, (ii) has net assets of not less than \$500,000,000, and (iii) has the highest rating obtainable from either S&P or Moody’s.

“Change of Control Put Notice” shall have the meaning set forth in Section 6(b).

“Change of Control Put Right” shall have the meaning set forth in Section 6(b).

“Change of Control Put Period” shall have the meaning set forth in Section 6(b).

“Change of Control Transaction” means the occurrence after the Original Issue Date of any of (a) an acquisition 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 shares of the Company, by contract or otherwise) of in excess of 50% of the voting shares of the Company (other than by means of conversion or exercise of the Note and the Securities issued together with 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 shareholders of the Company immediately prior to such transaction (directly or indirectly) own less than 50% of the aggregate voting power of the Company or the successor entity of such transaction, or (c) the Company, directly or indirectly, sells or transfers all or substantially all of its assets to another Person other than parties to the Security Documents reasonably satisfactory to the Collateral Agent.

“Closing Sale Price” means, for any security as of any date, the last closing trade price for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price then the last trade price of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading market for such security, the last trade price of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing do not apply, the last trade price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no last trade price is reported for such security by Bloomberg, the average of the bid prices, or the ask prices, respectively, of any market makers for such security as reported in The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices). If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as reasonably determined by the Company in good faith. Subject to Section 4(d), if the Holder shall object to any such fair market value determination by the Company, then such dispute shall be resolved in accordance with the procedures in Section 25. All such determinations shall be appropriately adjusted for any stock splits, stock dividends, stock combinations, recapitalizations or other similar transactions during such period.

“Code” means the Internal Revenue Code of 1986, as amended .

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time shares of Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, shares of Common Stock.

“Conversion Date” shall have the meaning set forth in Section 4(a).

“Conversion Failure” has the meaning set in Section 4(c)(iii).

“Conversion Notice” shall have the meaning set forth in Section 4(a).

“Conversion Price” means, as applicable, the Fixed Conversion Price, the Redemption Conversion Price or the Alternate Conversion Price.

“Conversion Shares” means shares of Common Stock issued or issuable upon any conversion of this Note.

“Cure Period” has the meaning given in Section 8(a)(ii).

“Disqualified Stock” shall mean, with respect to any Person, any equity interests of such Person that, by their terms (or by the terms of any security or other equity interests into which such equity interests are convertible or exchangeable) or upon the happening of any event or condition (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Note) (a) matures or is mandatorily redeemable for cash, pursuant to a sinking fund obligation or otherwise, (b) is redeemable for cash at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other equity interests that would constitute Disqualified Stock, in each case, prior to the Maturity Date. Notwithstanding the foregoing: (i) any equity interests issued to any employee or to any plan for the benefit of employees of the Company or the Subsidiaries or by any such plan to such employees shall not constitute Disqualified Stock solely because they may be required to be repurchased by the Company in order to satisfy applicable statutory or regulatory obligations or as a result of such employee’s termination, death or disability and (ii) any class of equity interests of such Person that by its terms provides that obligations thereunder will be satisfied by delivery of shares of Common Stock shall not be deemed to be Disqualified Stock.

“DWAC Eligible” means that (a) the shares of Common Stock are eligible at DTC for full services pursuant to DTC’s Operational Arrangements, including transfer through DTC’s DWAC system, (b) the Company has been approved (without revocation) by the DTC’s underwriting department, (c) the Transfer Agent is approved as an agent in the DTC/FAST Program, (d) the Conversion Shares are otherwise eligible for delivery via DWAC, and (e) the Transfer Agent does not have a policy prohibiting or limiting delivery of the Conversion Shares via DWAC.

“Early Redemption Premium” means 115%

“Effectiveness Deadline” has the meaning given such term in the Registration Rights Agreement.

“Event of Default” shall have the meaning set forth in Section 8(a).

“Event of Default Redemption Right Period” has the meaning set forth in Section 8(b).

“Exchange Cap” shall have the meaning set forth in Section 4(e).

“Exchange Cap Allocation” shall have the meaning set forth in Section 4(e).

“Fixed Conversion Price” means a price equal to \$0.35 per share, subject to adjustment as provided in Section 5 (but not lower than the prevailing Floor Price).

“Floor Price” means 20% of the “Minimum Price” (as defined in Nasdaq Listing Rule 5635) on the trading day prior to the date of the Purchase Agreement, which is initially \$0.06 (subject to adjustment for stock splits, Stock Dividends or stock combinations); provided that the Floor Price shall automatically reset (a “Floor Price Reset”) on each date that is six (6) months after the date of the Purchase Agreement (and each successive 6 month anniversary thereafter) (each, a “Floor Price Reset Date”) to equal 20% of the “Minimum Price” (as defined in the rules and regulations of the Nasdaq Stock Market) on the Trading Day immediately preceding such Floor Price Reset Date. In addition, the Company may voluntarily reduce (and only reduce) the Floor Price in its sole discretion by providing written notice of such reduction to the Holder.

“Floor Price Condition” means if, at any time, the Redemption Conversion Price (disregarding, for purposes of this definition, the proviso to the definition of Redemption Conversion Price) is below the Floor Price for five (5) or more Trading Days out of any seven (7) consecutive Trading Day Period. The existence of a Floor Price condition shall only be deemed to have been cured and no longer continuing following the reduction of the Floor Price pursuant to a Floor Price Reset.

“Freely Tradable” means that the Conversion Shares (i) can be traded by a holder thereof that is not an Affiliate of the Company and has not been an Affiliate of the Company for the immediately preceding 90 days, or pursuant to an effective Registration Statement and (ii) are issued upon conversion of this Note free of restrictive legends.

“Fundamental Transaction” shall have the meaning set forth in Section 5.

“Holder” or “Holders” means the persons in whose name the Notes are registered on the Note Register.

“Indebtedness” of a Person shall include (a) all obligations for borrowed money or the deferred purchase price of property or services including without limitation, merchant cash advances (excluding trade accounts payable incurred in the ordinary course of business), (b) all obligations evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, surety bonds, bankers acceptances, currency swap agreements, interest rate hedging agreements, interest rate swaps or other financial products, (c) all capital lease obligations (as determined in accordance with U.S. GAAP), (d) all obligations or liabilities secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed by such Person, (e) any obligation arising with respect to any other transaction that is the functional equivalent of borrowing but which does not constitute a liability on the balance sheets of such Person (excluding trade accounts payable incurred in the ordinary course of business), (f) Disqualified Stock, and (g) any obligation guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse) any of the foregoing obligations of any other Person.

“Investments” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition (including by merger) of equity interests of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitutes a business unit or all or a substantial part of the business of, such Person.

“Liens” means any mortgage, lien, pledge, charge, security interest or other encumbrance upon or in any property or assets (including accounts and contract rights) owned by the Company or any of its Subsidiaries.

“Monthly Redemption Conversion Amount” means, with respect to any Monthly Redemption Conversion Period, the portion of Outstanding Value designated by the Holder for conversion.

“Monthly Redemption Conversion Period” means (i) for the initial period, the time commencing on the date that is seven (7) days following the Effectiveness Deadline and ending following the market close on the last Trading Day of such calendar month, and (ii) thereafter, each period beginning on the first Trading Day of the following calendar month and ending on the last Trading Day of such calendar month.

“Moody’s” means Moody’s Investor Services, Inc.

“New York Courts” shall have the meaning set forth in Section 9(d).

“Note Register” shall have the meaning set forth in Section 2(b).

“Optional Redemption” shall have the meaning set forth in Section 6(a).

“Optional Redemption Date” shall have the meaning set forth in Section 6(a).

“Optional Redemption Notice” shall have the meaning set forth in Section 6(a).

“Optional Redemption Notice Date” shall have the meaning set forth in Section 6(a).

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

“Outstanding Principal Amount” means, at the time of determination, the Original Principal Amount outstanding after giving effect to any conversions, redemptions or payments pursuant to the terms hereof.

“Outstanding Value”, as of any time of determination, means the Outstanding Principal Amount of this Note, accrued and unpaid interest and accrued and unpaid on such Outstanding Principal Amount, interest and any other unpaid amounts pursuant to the Transaction Documents, in each case, as of such time of determination.

“Participant Register” shall have the meaning set forth in Section 2(b).

“Permitted Dispositions” means (a) sales of inventory and product in the ordinary course of business and (b) dispositions of worn out, obsolete, surplus or unneeded equipment or other property in the ordinary course of business.

“Permitted Indebtedness” means (a) the Indebtedness evidenced by the Note and the other Transaction Documents, (b) the Indebtedness existing on the Original Issue Date and disclosed in the SEC Reports (as defined in the Purchase Agreement), (c) unsecured Indebtedness incurred in the ordinary course of business and not exceeding \$500,000 in the aggregate at any time outstanding, and (d) Indebtedness incurred in the ordinary course of business in respect of credit cards in an amount not to exceed \$50,000 at any one time in the aggregate.

“Permitted Lien” means the individual and collective reference to the following: (a) Liens in favor of Holder or the Collateral Agent, (b) any Lien for taxes not yet due or delinquent or being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with U.S. GAAP, (c) any statutory Lien arising in the ordinary course of business by operation of law with respect to a liability that is not yet due or delinquent, and (d) any Lien created by operation of law, such as materialmen’s liens, mechanics’ liens and other similar liens, arising in the ordinary course of business with respect to a liability that is not yet due or delinquent or that are being contested in good faith by appropriate proceedings.

“Principal Market” means the principal Trading Market for the shares of Common Stock.

“Purchase Agreement” means the Securities Purchase Agreement, dated as of August 16, 2026, among the Company and the original Holders, as amended, modified or supplemented from time to time in accordance with its terms.

“Redemption Conversion” has the meaning set forth in Section 2(d)(i).

“Redemption Conversion Price” means a price equal to the lesser of: (i) the Fixed Conversion Price then in effect; (ii) 90% of the lowest daily VWAP during the seven (7) consecutive Trading Days ending on and including the applicable date of the applicable Redemption Conversion; and (iii) 90% of the lowest daily VWAP during the seven (7) consecutive Trading Days ending on and including the first Trading Day of the applicable Monthly Redemption Conversion Period; provided, that the Redemption Conversion Price shall not be less than the Floor Price.

“Registration Rights Agreement” means the Registration Rights Agreement, dated as of the date of the Purchase Agreement, among the Company and the original Holders, in the form of Exhibit B attached to the Purchase Agreement.

“Registration Statement” means an effective Registration Statement (as defined in the Registration Rights Agreement) covering the resale of a number of Conversion Shares equal to the Required Reserve Amount under the Securities Act filed by the Company pursuant to the Registration Rights Agreement.

“Required Reserve Amount” has the meaning set forth in Section 4(c)(vi).

“S&P” means Standard & Poor’s Ratings Group, a division of The McGraw Hill Corporation.

“Share Delivery Date” shall have the meaning set forth in Section 4(c)(ii).

“Stock Dividend” means the Company’s issuance of solely shares of Common Stock as a dividend or distribution on all or substantially all shares of Common Stock.

“Successor Entity” shall have the meaning set forth in Section 5(a).

“Trading Day” means a day on which the principal Trading Market is open for trading.

“Trading Market” means any of the following markets or exchanges on which the shares of Common Stock are 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 (or any successors to any of the foregoing).

“Trading Market Default” shall have the meaning set forth in Section 8(a)(xi).

“Transfer Agent” means VStock Transfer, LLC, the current transfer agent of the Company, with a mailing address of 18 Lafayette Place, Woodmere, New York 11590 and an email address of action@vstocktransfer.com, and any successor transfer agent of the Company.

“VWAP” means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market (or, if the Principal Market is not the principal trading market for such security, then on the principal securities exchange or securities market on which such security is then traded), during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Bloomberg through its “VAP” function (set to 09:30 start time and 16:00 end time) or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30 a.m., New York time, and ending at 4:00 p.m., New York time, as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported in The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices). If the VWAP cannot be calculated for such security on such date on any of the foregoing bases, the VWAP of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations shall be appropriately adjusted for any share dividend, share split, recapitalization or other similar transactions during such period.

Section 2. Payments.

(a) Payment of Interest. The Company shall pay interest (if any) to the Holder on the aggregate unconverted and then Outstanding Principal Amount of this Note (together with any other outstanding amounts owed to the Holder pursuant to the Transaction Documents) at the Applicable Rate, due and payable monthly, on the first Business Day of each calendar month and on the Maturity Date.

(b) Note Register. The Company shall establish and maintain a record of ownership (the “Note Register”) in which it agrees to register by book entry the Holders’ and each subsequent assignee’s name and address and the principal amounts (and stated interest) of Holder’s and each subsequent assignee’s interest in the Notes. Any of the Holders that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Company, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant’s interest in the participated Notes (the “Participant Register”); provided that the Holders shall have no obligation to disclose all or any portion of the Participant Register (including the identity of any participant) to the Company except to the extent that such disclosure is necessary to establish that the applicable Note is in registered form under Treasury Regulations Section 5f.103-1(c). The entries in the Note Register and the Participant Register shall be conclusive absent manifest error. This Section 2(b) shall be construed so that the Notes are at all times maintained in “registered form” within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code, and any related regulations (or any successor provisions of the Code or such regulations).

(c) Interest Calculations. Interest shall be calculated on the basis of a 360-day year and the actual number of days elapsed, consisting of twelve 30 calendar day periods, and shall accrue daily (but without compounding) commencing on the Original Issue Date until payment in full of the Outstanding Principal Amount of this Note, together with all accrued and unpaid interest and other amounts which may become due hereunder, has been made. Interest shall cease to accrue with respect to any principal amount converted, provided that, the Company actually delivers the Conversion Shares within the time period required by Section 4(c) (ii). Interest hereunder will be paid to the Person in whose name this Note is registered on the Note Register. The rates of interest under this Note are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Note.

(d) Monthly Redemption.

(i) In addition to, and not in limitation of, the Holder's rights under Section 4 of this Note, the Holder may, during each Monthly Redemption Conversion Period, convert the applicable Monthly Redemption Conversion Amount into Freely Tradable Conversion Shares (each a "Redemption Conversion"). During each Monthly Redemption Conversion Period, the Holder may submit one or more Conversion Notices to convert all or a portion of the Monthly Redemption Conversion Amount at the Redemption Conversion Price as of the Conversion Date. All conversions under this Section 2(d)(i) shall be effected in accordance with the provisions of Section 4 but using the Redemption Conversion Price in lieu of the Fixed Conversion Price. Each Conversion Notice shall specify the amount of the Monthly Redemption Conversion Amount to be converted and the Redemption Conversion Price. Each conversion pursuant to this Section 2(d)(i) shall be applied (a) first, to pay accrued interest as of the applicable Conversion Date (if any) and (b) second, to reduce other amounts owed pursuant to the Transaction Documents, and (c) third, to reduce the Outstanding Principal Amount included in such applicable Monthly Redemption Conversion Amount.

(ii) The Holder may, at any time prior to the expiration of a Monthly Redemption Conversion Period, defer all or any portion of the applicable Monthly Redemption Conversion Amount ("Deferred" and amount Deferred a "Deferral Amount") to a later Monthly Redemption Conversion Period at its sole discretion, evidenced in writing (which may be by e-mail) in which case, the Deferral Amount shall be added to, and become part of, such subsequent Monthly Redemption Conversion Amount. In addition, the Company may, in its sole discretion, permit the Holder to increase any Monthly Redemption Conversion Amount to a greater amount, but not in excess of the Outstanding Value.

(iii) To the extent that (x) the Company would be prohibited from issuing shares of Common Stock pursuant this Section 2(d) due to the Exchange Cap (a "Redemption Default") or (y) there is a Floor Price Condition, the Holder may require, at the Holder's election by delivery of a written notice to the Company (which may be e-mail), the Company to redeem a portion of the Outstanding Value per Monthly Redemption Conversion Period in cash payments equal to the sum of (x) the Monthly Redemption Conversion Amount plus (y) a 7.5% payment premium in respect of each payment of the Monthly Redemption Conversion Amount (collectively, the "Cash Redemption Price"). The Company shall make each such redemption in cash by not later than the last Trading Day of the applicable Monthly Redemption Conversion Period for which the Holder has required such redemption.

(iv) Following the 75th calendar day anniversary of the Closing Date (as defined in the Purchase Agreement), if the Company is unable to issue Freely Tradable Conversion Shares (whether due to the Exchange Cap, any limitation under the applicable rules or regulations of the Principal Market, the lack of an effective Registration Statement, or other listing issues), the Company shall make monthly redemptions of the Outstanding Value of this Note in cash equal to the lesser of (x) \$1,000,000 and (y) the entire Outstanding Value plus a redemption premium equal to 107.5% of the amount being redeemed (each, a "Monthly Cash Redemption"). The Company shall make each Monthly Cash Redemption in cash by not later than the last Trading Day of the applicable calendar month.

(e) Prepayment. Except as otherwise set forth herein, including Section 6(a), the Company may not prepay all or any part of this Note.

(f) Application of Payments. All payments made under this Note shall be applied first to the payment of any fees or charges outstanding pursuant to the Transaction Documents, second to interest to the Holder on the aggregate unconverted and then Outstanding Principal Amount of this Note in accordance with the provisions hereof, third, to other amounts due and payable hereunder other than the Outstanding Principal Amount of this Note, and fourth, to the payment of the Outstanding Principal Amount of this Note, or in such other order as determined by the Holder in its reasonable discretion.

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) Voluntary Conversion. At any time, and from time to time, until this Note is no longer outstanding, the Outstanding Value of this Note shall, at the option of the Holder (subject to the conversion limitations set forth in Section 4(c)) be convertible, in whole or in part, into shares of Common Stock at the Fixed Conversion Price. The Holder shall effect conversions by delivering to the Company a Conversion Notice, the form of which is attached hereto as Annex A (each, a "Conversion Notice"), specifying therein the Outstanding Value of this Note to be converted, or with respect to a Redemption Conversion, the Monthly Redemption Conversion Amount to be converted, the applicable Conversion Price, and the date on which such conversion shall be effected (such date, the "Conversion Date"). If no Conversion Date is specified in a Conversion Notice, the Conversion Date shall be the date that such Conversion Notice is deemed delivered hereunder. No ink-original Conversion Notice shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Conversion Notice form be required. To effect conversions hereunder, the Holder shall not be required to physically surrender this Note to the Company unless the entire Outstanding Value of this Note has been so converted in which case the Holder shall surrender this Note as promptly as is reasonably practicable after such conversion without delaying the Company's obligation to deliver the shares on the Share Delivery Date. Conversions hereunder shall have the effect of reducing the Outstanding Value of this Note in an amount equal to the applicable Outstanding Value converted. The Holder and the Company shall maintain records showing the Outstanding Value converted and the date of such conversion(s). In the event of any dispute or discrepancy, the records of the Holder shall be controlling and determinative in the absence of manifest error. **The Holder, and any assignee by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note may be less than the amount stated on the face hereof.**

(b) Intentionally Omitted.

(c) Mechanics of Conversion and Delivery of Conversion Shares.

(i) Conversion Shares Issuable Upon Conversion; Adjustment of Conversion Price. The number of Conversion Shares issuable upon a conversion pursuant to Section 2(d)(i), Section 4 and Section 8 hereunder shall be determined by the quotient obtained by dividing (x) the Outstanding Value of this Note to be converted by (y) the applicable Conversion Price. On or before the first (1st) Trading Day following the date of receipt of a Conversion Notice with respect to a Redemption Conversion and with respect to Alternate Conversions pursuant to Section 8, if the applicable Redemption Conversion Price or Alternate Conversion Price is less than the “redemption conversion price”, or “alternate conversion price”, as applicable, specified on such Conversion Notice, the Holder may deliver an updated Conversion Notice to the Company correcting the Redemption Conversion Price or Alternate Conversion Price (and aggregate number of Conversion Shares to be issued) as specified in such Conversion Notice, provided, that if such updated Conversion Notice is not delivered to the Company on or prior to 9:30am, New York time on the Trading Day immediately following the applicable Conversion Date or Alternate Conversion Date, as applicable, the applicable Share Delivery Date shall be extended by one (1) Trading Day.

(ii) Delivery of Conversion Shares Upon Conversion. Not later than the number of Trading Days comprising the Standard Settlement Period (as defined below) after each Conversion Date or Alternate Conversion Date (the “Share Delivery Date”), the Company shall deliver, or cause to be delivered, to the Holder the Conversion Shares which shall be Freely Tradable and free of restrictive legends representing the number of Conversion Shares being acquired upon the conversion of this Note. The Company shall deliver any Conversion Shares required to be delivered by the Company under this Section 4(c) electronically through the Depository Trust Company or another established clearing corporation performing similar functions. As used herein, “Standard Settlement Period” means the standard settlement period, expressed in a number of Trading Days, on the Principal Market as in effect on the date of delivery of the Conversion Notice. To the extent that the delivery of Conversion Shares in connection with a Conversion Notice would result in the Holder exceeding the Beneficial Ownership Limitation, and the Holder does not elect in writing to withdraw, in whole, such Conversion Notice, the Company shall hold such Conversion Shares in abeyance for the benefit of the Holder until such time as such Conversion Notice may be satisfied without exceeding the Beneficial Ownership Limitation (with such calculations thereunder made as of the date such Conversion Notice was initially delivered to the Company).

(iii) Failure to Deliver Conversion Shares. If, in the case of any Conversion Notice, such Conversion Shares are not delivered to or as directed by the applicable Holder by the Share Delivery Date (a “Conversion Failure”), 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 such Conversion Notice, 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 issued to such Holder pursuant to the rescinded Conversion Notice.

(iv) Obligation Absolute. The Company’s obligations to issue and deliver the Conversion Shares upon conversion of this Note in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the 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 the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of such Conversion Shares; provided, however, that such delivery shall not operate as a waiver by the Company of any such action the Company may have against the Holder. In connection with the Holder’s conversion of amounts due under this Note in accordance with the terms of the Note, the Company may not refuse conversion based on any claim that the Holder or anyone associated or affiliated with the Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining and or enjoining conversion of all or part of this Note shall have been sought and obtained, and the Company posts a surety bond for the benefit of the Holder in the amount of 200% of the Outstanding Value of this Note which is subject to the injunction, which bond shall remain in effect until the completion of arbitration/litigation of the underlying dispute and the proceeds of which shall be payable to the Holder to the extent it obtains judgment. In the absence of such injunction, the Company shall issue Conversion Shares and, if applicable, cash, upon a properly noticed conversion. Nothing in this Note shall limit a Holder’s right (1) to pursue actual damages, (2) lost profit resulting from or caused by the Company’s failure to honor any duly submitted conversion notice or its repudiation of its obligation to honor conversions in accordance with the terms of this Note or (3) declare an Event of Default pursuant to Section 8 for the Company’s failure to deliver Conversion Shares within the period specified herein. Without limiting the foregoing, the Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief. The exercise of any such rights shall not prohibit the Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

(v) Compensation for Buy-In on Failure to Timely Deliver Conversion Shares Upon Conversion. In addition to any other rights available to the Holder, if the Company fails for any reason to deliver to the Holder such Conversion Shares by the Share Delivery Date pursuant to Section 4(c)(ii), and if after such Share Delivery Date the Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Conversion Shares which the Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "Buy-In"), then the Company shall (A) pay in cash to the Holder (in addition to any other remedies available to or elected by the Holder) the amount, if any, by which (x) the Holder's total purchase price (including any brokerage commissions) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that the Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of the Holder, either reissue (if surrendered) this Note in a principal amount equal to the principal amount of the attempted conversion (in which case such conversion shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued if the Company had timely complied with its delivery requirements under Section 4(c)(ii). For example, if the Holder purchases shares of Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted conversion of this Note with respect to which the actual sale price of the Conversion Shares (including any brokerage commissions) giving rise to such purchase obligation was a total of \$10,000 under clause (A) of the immediately preceding sentence, the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss.

(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 shares of Common Stock for the sole purpose of issuance upon conversion of this Note as herein provided, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holder, an aggregate number of shares of Common Stock equal to 150% of the aggregate number of shares issuable upon conversion of this Note in full at the prevailing Redemption Conversion Price without regard to any limitations on conversion ("Required Reserve Amount"). The Company covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable. The Company acknowledges and agrees that the purpose of this Section 4(c)(vi) is to ensure that Company may issue shares of Common Stock from time to time in accordance with the terms hereof and that the reservation of shares of Common Stock pursuant hereto is reasonable in light of the anticipated economic benefits expected by the Company and Holder from conversions of this Note by the Holder. The Company further understands that there are no limitations imposed by Holder on the Company's ability to, any time, increase the number of its authorized and unissued shares of Common Stock and it is the sole responsibility of the Company to ensure that it has sufficient authorized and unissued shares of Common Stock to comply with its obligations hereunder and to take advantage of opportunities to raise capital from the sale of its securities to third parties. Accordingly, there shall be no presumption that Holder's requirement that the Company adhere to this Section 4(c)(vi) causes Holder to have any control over the Company's ability to dispose of authorized and unissued shares of Common Stock.

(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, however, the Company shall have no obligation to pay the Holder if such fraction multiplied by the Conversion Price is less than \$1.00.

(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 Notice 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.

(d) Holder's Conversion Limitations. The Company shall not effect 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 applicable 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 would be issuable upon (i) conversion of the remaining, unconverted principal 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) 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(d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. 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(d), in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (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 Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a 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 9.99% of the number of shares of the shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of this Note. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(d), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon conversion of this Note held by the Holder and the Beneficial Ownership Limitation provisions of this Section 4(d) 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(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 this Note.

(e) Exchange Cap. The Company shall not issue any shares of Common Stock upon the conversion of this Note 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 or otherwise pursuant to the terms of the Notes, the Warrants and the May Securities (each as defined in the Purchase Agreement) without breaching the Company's obligations under the rules or regulations of the Principal Market, which number of shares is 12,256,260 shares of Common Stock (representing 19.99% of the total number of shares of Common Stock outstanding on the date of the May SPA (as defined in the Purchase Agreement)) (the number of shares 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 requisite approval of its stockholders to issue shares of Common Stock in excess of the Exchange Cap 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 Holder. Until such approval or such written opinion is obtained, no Buyer shall be issued in the aggregate, upon conversion or exercise (as the case may be) of any Notes, Warrants or May Securities or otherwise pursuant to the terms thereof, shares of Common Stock in an amount greater than the product of (i) the Exchange Cap as of the Original Issue Date multiplied by (ii) the quotient of (1) the original principal amount of Notes issued to such Buyer pursuant to the Purchase Agreement on the Closing Date (as defined in the Purchase Agreement) divided by (2) the aggregate original principal amount of all Notes issued to the Buyers pursuant to the Purchase Agreement on the Closing Date (with respect to each Buyer, the "Exchange Cap Allocation"). In the event that any Buyer shall sell or otherwise transfer any of such Buyer's Notes, the transferee shall be allocated a pro rata portion of such Buyer's Exchange Cap Allocation with respect to such portion of such Notes 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 and exercise in full of a Buyer's Notes, the difference (if any) between such Buyer's Exchange Cap Allocation and the number of shares of Common Stock actually issued to such Buyer upon such Buyer's conversion in full of such Notes shall be allocated to the respective Exchange Cap Allocations of the remaining Buyers on a pro rata basis in proportion to the shares of Common Stock underlying the Notes then held by each such Buyer.

Section 5. Adjustments.

(a) Fundamental Transaction. If, at any time while this Note is outstanding, (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 (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 Company or another Person) is completed pursuant to which holders of shares 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 shares of Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the shares of 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 share or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, merger or scheme of arrangement) with another Person or group of Persons whereby such other Person or group 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 share 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 (assuming conversion at the Alternate Conversion Price for the Trading Day immediately prior to the occurrence of such Fundamental Transaction) 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(d) , 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 immediately prior to such Fundamental Transaction (without regard to any limitation in Section 4(d). For purposes of any such conversion, the determination of the Alternate 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 shares of Common Stock in such Fundamental Transaction, and the Company shall apportion the Alternate 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 shares 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(a) 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 share capital 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 share capital (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 share capital, such number of shares of share capital 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.

(b) Stock Dividends and Stock Splits. If the Company, at any time while this Note is outstanding: (i) pays a share dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock or any Common Stock Equivalents (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon conversion of, or payment of interest on, the Notes), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of a reverse share 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 shares of Common Stock, any shares of share capital of the Company, then the Fixed 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 Company) 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 shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification.

(c) Subsequent Equity Sales. If, at any time while this Note is outstanding, the Company or any Subsidiary, as applicable, sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any shares of Common Stock or Common Stock Equivalents entitling any Person to acquire shares of Common Stock at an effective price per share that is lower than the then the Fixed Conversion Price (such issuances, collectively, a “Dilutive Issuance”) (if the holder of the shares of Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive shares of Common Stock at an effective price per share that is lower than the Fixed Conversion Price, such issuance shall be deemed to have occurred for less than the Fixed Conversion Price on such date of the Dilutive Issuance), then simultaneously with the consummation (or, if earlier, the announcement) of each Dilutive Issuance the Fixed Conversion Price shall be reduced (but never increased) to equal the lower of (a) the effective price per share of such Dilutive Issuance and (b) the lowest VWAP for the shares of Common Stock during the five (5) Trading Days following the consummation or announcement (if earlier) of such Dilutive Issuance (the lowest of (a) and (b), the “Base Fixed Conversion Price”). If the Company enters into a Variable Rate Transaction, despite the prohibition set forth in the Purchase Agreement, the Company shall be deemed to have issued shares of Common Stock or Common Stock Equivalents at the lowest possible conversion price at which such securities may be converted or exercised. The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any shares of Common Stock or Common Stock Equivalents subject to this Section 5(c), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice, the “Dilutive Issuance Notice”). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 5(c), upon the occurrence of any Dilutive Issuance, the Holder is entitled to receive a number of Conversion Shares for a conversion under Section 4(a) based upon the Base Fixed Conversion Price on or after the date of such Dilutive Issuance, regardless of whether the Holder accurately refers to the Base Fixed Conversion Price in the applicable Conversion Notice.

(d) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 5(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase shares, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (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 at the Alternate Conversion Price (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, 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).

(e) Pro Rata Distributions. During such time as this Note is outstanding, if the Company shall declare or make 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, shares 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 at the Alternate Conversion Price (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, 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 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).

(f) Voluntary Adjustment by Company. The Company may at any time during the term of this Note, with the prior written consent of the Holder reduce the then current Fixed Conversion Price or Redemption Conversion Price of each of the Notes to any amount and for any period of time deemed appropriate by the board of directors of the Company.

(g) 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.

(h) Notice to the Holder.

(i) Adjustment to Fixed Conversion Price. Whenever the Fixed Conversion Price is adjusted pursuant to any provision of this Section 5, the Company shall promptly deliver to each Holder a notice setting forth the Fixed Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(ii) Notice to Allow Conversion by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the shares of Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the shares of Common Stock, (C) the Company shall authorize the granting to all holders of the shares of Common Stock of rights or warrants to subscribe for or purchase any shares of share capital of any class or of any rights, (D) the approval of any shareholders of the Company shall be required in connection with any reclassification of the shares of Common Stock, any consolidation or merger to which the Company (and all of its Subsidiaries, taken as a whole) is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the shares of Common Stock are converted into other securities, cash or property or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Note, and shall cause to be delivered to the Holder at its last address as it shall appear upon the Note Register, at least twenty (20) 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 shares of 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 shares of Common Stock of record shall be entitled to exchange their shares of the shares of 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. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report Form 8-K. For the avoidance of doubt, the Holder shall remain entitled to convert this Note during the 20-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 6. Redemption.

(a) Optional Redemption at Election of Company. At any time after the date that is 40 Trading Days after the initial Registration Statement filed pursuant to the Registration Rights Agreement has been declared effective, and prior to the Maturity Date, provided that (i) no Event of Default then exists, (ii) on the Trading Day immediately preceding the Optional Redemption Notice Date the Closing Sale Price was not greater than the Fixed Conversion Price, and (iii) the Company is not in possession of any material, non-public information expected to positively impact the trading price of the Common Stock, the Company may deliver a written notice to the Holder (an “Optional Redemption Notice” and the date such notice is deemed delivered hereunder, the “Optional Redemption Notice Date”) of its irrevocable election to redeem this Note for cash in an amount equal to the Outstanding Value multiplied by the Early Redemption Premium (the “Optional Redemption Amount”) on the 15th Trading Day following the Optional Redemption Notice Date (such date, the “Optional Redemption Date”, such 15 Trading Day period, the “Optional Redemption Period” and such redemption, the “Optional Redemption”). The Optional Redemption Amount is payable in full on the Optional Redemption Date. Notwithstanding the foregoing, if the Closing Sale Price of the Common Stock exceeds the Fixed Conversion Price on any Trading Day during the Optional Redemption Period, the Optional Redemption Notice shall be deemed automatically revoked and of no further force or effect, and the Company shall not be permitted to consummate the Optional Redemption.

(b) Notice of a Change of Control Put Right. The Holder may require the Company to redeem (the “Change of Control Put Right”) all of the Outstanding Value of this Note at any time following the earlier of (a) the Company’s consummation of a Change of Control Transaction or (b) public announcement of such Change of Control Transaction until the 20th Trading Day following the latest of (x) the consummation of such Change of Control Transaction and (y) the public announcement of such Change of Control Transaction (the “Change of Control Put Period”) at a price payable in cash equal to the greater of (the “Change of Control Redemption Price”):

(i) The applicable Outstanding Value to be redeemed multiplied by the Early Redemption Premium; and

(ii) the product of (A) the applicable Outstanding Value to be redeemed and (B) the quotient obtained by dividing (1) the aggregate per-share consideration payable to holders of Common Stock in such Change of Control Transaction (with any non-cash consideration valued, in the case of publicly traded securities, at the highest Closing Sale Price thereof during the period from the Trading Day immediately prior to the public announcement of such Change of Control Transaction through the Trading Day immediately following consummation thereof), by (2) the Alternate Conversion Price then in effect.

The Holder may exercise the Change of Control Put Right by delivering a written notice to the Company, at any time during the Change of Control Put Period, specifying that the Note is to be redeemed, and then the applicable Change of Control Redemption Price be due and payable in cash on the 3rd Trading Day following the Company's receipt of such notice ("Change of Control Put Notice"). The Company shall, to the extent legally permissible and within the Company's control, publicly announce any Change of Control Transaction at least 45 Trading Days prior to the consummation thereof, but, in any case, the Company shall make such announcement no later than 30 Trading Days prior to the consummation of the applicable Change of Control Transaction. Notwithstanding the foregoing until the Change of Control Redemption Price has been paid in full, the Outstanding Value subject to such redemption may be converted, in whole or in part, at the option of the Holder in accordance with this Note.

(c) Subsequent Placement Redemption Right. At any time from and after the earlier of (x) the date of the public announcement of a Placement (the "Holder Notice Date") and (y) the time of consummation of a Placement (in each case, other than with respect to Excluded Securities and subject to exceptions under the Purchase Agreement) (each, an "Eligible Subsequent Placement"), the Holder shall have the right, in its sole discretion, to require that the Company redeem (each an "Subsequent Placement Optional Redemption") all, or any portion, of the Outstanding Value under this Note at a price equal to the product of (a) the Early Redemption Premium multiplied by (b) the Outstanding Value being redeemed, not to exceed thirty percent (30%) of the gross proceeds from all Eligible Subsequent Placements (the "Eligible Subsequent Placement Optional Redemption Amount") by delivering written notice thereof (an "Subsequent Placement Optional Redemption Notice") to the Company. Notwithstanding the foregoing, if the Holder is participating in an Eligible Subsequent Placement, upon the written request of the Holder, the Company shall apply all, or any part, as set forth in such written request, of any amounts that would otherwise be payable to the Holder in such Subsequent Placement Optional Redemption, on a dollar-for-dollar basis, against the purchase price of the securities to be purchased by the Holder in such Eligible Subsequent Placement. Each Subsequent Placement Optional Redemption Notice shall indicate that all, or such applicable portion, as set forth in the applicable Subsequent Placement Optional Redemption Notice, of the Eligible Subsequent Placement Optional Redemption Amount the Holder is electing to have redeemed (the "Subsequent Placement Optional Redemption Amount") and the date of such Subsequent Placement Optional Redemption (the "Subsequent Placement Optional Redemption Date"), which shall be the date of the consummation of such Eligible Subsequent Placement. The portion of the Outstanding Value of this Note subject to redemption pursuant to this Section 6(c) shall be redeemed by the Company in cash at a price equal to the Subsequent Placement Optional Redemption Amount (or applicable portion thereof) (the "Subsequent Placement Optional Redemption Price"). For purposes of this Section 6(c), "Placement" shall have the meaning set forth in the Purchase Agreement and shall include, without limitation, any sales of shares of Common Stock pursuant to an ATM Program (as defined in the Purchase Agreement), and the gross proceeds from any such ATM Program sales shall be included in calculating the Eligible Subsequent Placement Optional Redemption Amount.

Section 7. Covenants.

(a) Affirmative Covenants. As long as any portion of this Note remains outstanding, the Company shall, and shall cause its Subsidiaries to:

(i) The Company shall maintain and preserve, and cause each of its Subsidiaries to maintain and preserve (except where otherwise permitted hereunder), all of its properties which are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear and tear excepted, and comply, and cause each of its Subsidiaries to comply, at all times with the provisions of all leases to which it is a party as lessee or under which it occupies property, so as to prevent any loss or forfeiture thereof or thereunder except where such failure would not individually or in the aggregate, have a Material Adverse Effect on the Company or any of its Subsidiaries;

(ii) The Company will, and will cause each of its Subsidiaries to, take all action necessary or advisable to maintain all of the Intellectual Property Rights of the Company and/or any of its Subsidiaries that are necessary or material to the conduct of its business in full force and effect. Without limiting the foregoing, the Company shall at all times maintain directors' and officers' liability insurance coverage in an aggregate amount of not less than \$5,000,000, with insurers of recognized financial responsibility;

(iii) The Company shall maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations (including, without limitation, comprehensive general liability, hazard, rent and business interruption insurance) with respect to its properties (including all real properties leased or owned by it) and business, in such amounts and covering such risks as is required by any governmental authority having jurisdiction with respect thereto or as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated (including, without limitation, and for the avoidance of doubt, director's and officer's insurance of (\$5,000,000));

(iv) The Company and its Subsidiaries shall pay when due all taxes, fees or other charges of any nature whatsoever (together with any related interest or penalties) now or hereafter imposed or assessed against the Company and its Subsidiaries or their respective assets or upon their ownership, possession, use, operation or disposition thereof or upon their rents, receipts or earnings arising therefrom (except where the failure to pay would not, individually or in the aggregate, have a Material Adverse Effect on the Company or any of its Subsidiaries);

(v) The Company shall and shall cause each of its Subsidiaries to (a) comply with all laws applicable to it and its business and its obligations under its contracts and agreements, in each case, in all material respects and (b) maintain in effect and enforce policies and procedures reasonably designed to achieve compliance in all material respects by the Company and its directors, officers, employees and agents with anti-corruption laws, anti-terrorism laws, and applicable sanctions;

(b) Negative Covenants. As long as any portion of this Note remains outstanding, the Company shall not, and shall not permit its Subsidiaries to, directly or indirectly:

(i) Other than Permitted Indebtedness, except with the prior written consent of the Collateral Agent the Company shall not and shall cause each of its Subsidiaries to not enter into, create, incur, assume, guarantee or suffer to exist any Indebtedness of any kind.

(ii) Other than Permitted Liens, prior to all outstanding amounts under the Notes being repaid, converted or otherwise satisfied in full, the Company shall not and shall cause each of its Subsidiaries to not enter into, create, incur, assume or suffer to exist any Liens of any kind, on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom without the prior written consent of the Holder.

(iii) The Company shall not, and the Company shall cause each of its Subsidiaries to not, directly or indirectly, redeem, defease, repurchase, repay or make any payments in respect of, by the payment of cash or Cash Equivalents (in whole or in part, whether by way of open market purchases, tender offers, private transactions or otherwise), all or any portion of any Indebtedness (other than the Note and Permitted Indebtedness) whether by way of payment in respect of principal of (or premium, if any) or interest on, such Indebtedness.

(iv) The Company shall not, and the Company shall cause each of its Subsidiaries to not, directly or indirectly, redeem or repurchase any shares of Common Stock or other equity securities or declare or pay any cash dividend or distribution out of its capital;

(v) The Company shall not, and the Company 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 any assets or rights of the Company or any Subsidiary, owned or hereafter acquired whether in a single transaction or a series of related transactions, other than Permitted Dispositions.

(vi) The Company shall not, and the Company shall cause each of its Subsidiaries to not make or hold any Investments other than: (a) Investments existing on the date of the Purchase Agreement and that are disclosed in the Company's financial statements included in its most recent periodic report filed with the Commission, (b) Investments in cash and Cash Equivalents, (c) Investments in Subsidiaries that have executed and delivered the Security Documents reasonably satisfactory to the Collateral Agent to the Collateral Agent; (d) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of the Company's business; (e) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers in the ordinary course of business and consistent with past practice, provided that this clause (e) shall not apply to Investments of the Company in any Subsidiary thereof; (f) Investments consisting of (i) loans not involving the net transfer on a substantially contemporaneous basis of cash proceeds to employees, officers or directors relating to the purchase of share capital of the Company pursuant to employee share purchase plans or other similar agreements approved by the Company's Board of Directors and (ii) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business; provided that the aggregate of all such loans outstanding may not exceed \$50,000 at any time; (g) extensions of credit to customers or advances, deposits or payment to or with suppliers, lessors or utilities or for workers' compensation, in each case, that are incurred in the ordinary course of business; (h) other Investments that do not exceed \$1,000,000 in the aggregate per calendar year; and (i) other Investments in which the Collateral Agent is given a perfected, first priority security interest.

(vii) The Company shall not and shall cause each of its Subsidiaries to not enter into any transaction with any Affiliate of the Company which would be required to be disclosed in any public filing with the Commission, unless such transaction is made on an arm's-length basis and expressly approved by a majority of the disinterested directors of the Company (even if less than a quorum otherwise required for board approval);

(viii) The Company shall not and shall cause each of its Subsidiaries to not form, establish or acquire any new Subsidiary unless such new Subsidiary executes and delivers the Security Documents to the Collateral Agent in a form reasonably satisfactory to the Collateral Agent, promptly thereupon;

(ix) The Company shall not enter into any business, directly or indirectly, except for those businesses in which the Company is engaged on the date of this Note or that are reasonably related or ancillary thereto or that provide strategic opportunity for the Company at the Company's discretion;

(x) The Company shall not maintain any deposit account or securities account that is not subject to a perfected, first priority security interest in such account;

(xi) The Company will remain registered under Section 12(b) of Exchange Act and timely file with the Commission all reports required under the Exchange Act, the Securities Act or other applicable securities law.

(c) Minimum Cash Covenant. The Company's Available Cash on the last day of each calendar quarter shall be greater than or equal to the product (expressed as a positive number) of (x) 1.0 and (y) the Average Cash Burn. In any case, Available Cash shall never be less than \$500,000 at any time. The Company will file a Report on Form 8-K with the Commission disclosing such breach no later than four (4) Trading Day after the occurrence of such breach and provide simultaneous written notice thereof to the Holder.

Section 8. 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 payment of all or any portion of the Outstanding Value or any other amounts owed pursuant to this Note or any other Transaction Document when the same becomes due and payable in accordance with the terms of this Note or such Transaction Document, including, without limitation, any payment pursuant to Section 2(d)(iii);

(ii) the Company or any Subsidiary shall fail to observe or perform any covenant or agreement contained in this Note or in any Transaction Document, which failure is not cured, if possible to cure, within the specified cure period and if not specified, the earlier to occur of ten (10) Trading Days after (A) notice of such failure sent by a Holder to the Company and (B) the Company has become or should have become aware of such failure (the "Cure Period");

(iii) any representation or warranty made in this Note, any other Transaction Documents, any written statement pursuant hereto or thereto or any other report, financial statement or certificate made or delivered to the Holder or any other Holder shall be untrue or incorrect in any material respect as of the date when made or deemed made;

(iv) the Company or any Subsidiary shall be subject to a Bankruptcy Event;

(v) the Company or any Subsidiary shall default on any of its obligations under any Indebtedness, that (a) involves an obligation greater than \$500,000, whether such Indebtedness now exists or shall hereafter be created, and (b) results in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable;

(vi) following the earlier of (i) the Effectiveness Deadline, (ii) the date on which the Initial Registration Statement (as defined in the Registration Rights Agreement) is declared effective by the Commission, and (iii) the date the Conversion Shares can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the Securities Act, the Company shall fail for any reason to deliver Freely Tradable Conversion Shares prior to the 5th Trading Day after a the Share Delivery Date or, immediately, if the Company shall provide at any time notice to the Holder, including by way of public announcement, of the Company's intention to not honor requests for conversions of any Notes in accordance with the terms hereof;

(vii) the occurrence of more than three (3) Conversion Failures;

(viii) the electronic transfer by the Company of shares of Common Stock through the Depository Trust Company or another established clearing corporation is no longer available or is subject to a "chill" and such failure remains uncured after the Cure Period;

(ix) any Transaction Document shall for any reason fail or cease to create a valid Lien on the collateral described therein in favor of the Collateral Agent, or any material provision of any Transaction Document shall at any time for any reason cease to be valid and binding on or enforceable against the Company or the applicable Subsidiary, the validity or enforceability thereof shall be contested by any party thereto, or a proceeding shall be commenced by the Company, any Subsidiary or any Governmental Authority having jurisdiction over the Company or any such Subsidiary, seeking to establish the invalidity or unenforceability thereof, and such failure is not cured, if possible to cure, within the Cure Period;

(x) any Material Adverse Effect occurs;

(xi) (A) the suspension from trading or the failure of the shares of Common Stock to be listed on a Trading Market for a period of 5 consecutive Trading Days or (B) the threatened failure of the shares of Common Stock to be listed on a Trading Market if such failure is not cured 45 Trading Days prior to the deadline set by such Trading Market (each of (A) and (B), a "Trading Market Default");

(xii) one or more judgments, orders, or decrees for the payment of money in excess of \$500,000 in the aggregate (to the extent not covered by independent third-party insurance as to which the insurer has been notified of such judgment, order, or decree and has not disputed coverage) shall be rendered against the Company or any of its Subsidiaries and remain undischarged, unvacated, unbonded, or unstayed pending appeal for a period of sixty (60) consecutive days;

(xiii) the failure of the applicable Registration Statement (as defined in the Registration Rights Agreement) to be filed with the Commission within five (5) days after the applicable Filing Date (as defined under the Registration Rights Agreement) or to be declared effective by the Commission within five (5) days after the applicable Effectiveness Deadline, in each case as set forth in the Registration Rights Agreement;

(xiv) at any time that the applicable Registration Statement is required to be maintained effective pursuant to the Registration Rights Agreement, the effectiveness thereof lapses for any reason (including, without limitation, the issuance of a stop order) or such Registration Statement (or the prospectus contained therein) is unavailable for the resale of all Registrable Securities (as defined under the Registration Rights Agreement) by the Holder in accordance with the Registration Rights Agreement, and such lapse or unavailability continues for five (5) consecutive days or more than an aggregate of ten (10) days in any 365-day period (excluding any allowable grace period under the Registration Rights Agreement); or

(xv) if Jolie Kahn, the Company's Chief Executive Officer, ceases to be the Chief Executive Officer.

(b) Remedies Upon Event of Default.

(i) Upon the occurrence of any Event of Default and until the date that is thirty (30) Trading Days following the date such Event of Default is cured (the "Event of Default Redemption Right Period"), this Note shall become, at the Required Holder's election, immediately due and payable in cash equal to (i) the Outstanding Value of this Note to be redeemed multiplied by (ii) 125% (the "Event of Default Redemption Amount"); provided that such acceleration shall be automatic, without any notice or other action of the Required Holders, in respect of an Event of Default occurring pursuant to Section 8(a)(iv). Commencing on the occurrence and continuance of any Event of Default, the interest rate on the Outstanding Value of this Note shall be 12% per annum. Interest shall accrue daily from the occurrence of an Event of Default and shall cease upon the cure of such Event of Default and shall be calculated based on a 360-day year and the actual number of days elapsed, to the extent permitted by applicable law. Interest hereunder will be paid to the Person in whose name this Note is registered in the Note Register. Upon the payment in full of the amount owing set forth above, the Holder shall promptly surrender this Note to or as directed by the Company. In connection with such acceleration described herein, the Holder need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law and applying such funds to this Note. Such acceleration may be rescinded and annulled by Holder at any time prior to payment hereunder and the Holder shall have all rights as a holder of the Note until such time, if any, as the Holder receives full payment pursuant to this Section 8(b). No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon. In addition, upon the occurrence of an Event of Default pursuant to Section 8(a)(vi), the Holder shall be entitled to an amount in cash equal to the product of (a) the undelivered Freely Tradable Conversion Shares that should have been delivered to the Holder pursuant to the applicable Conversion Notice (including any Conversion Shares issuable under a Conversion Notice held in abeyance pursuant to Section 4(c)(ii)) but for such Event of Default multiplied by (b) the greatest VWAP of the shares of Common Stock on any Trading Day during the period commencing on the Conversion Date applicable to such undelivered Freely Tradable Conversion Shares and ending on the date the Company makes the entire payment required to be made under this Section 8(b). For the avoidance of doubt, during the Event of Default Redemption Right Period, the Holder may convert the Event of Default Redemption Amount into Conversion Shares, in whole or in part and from time to time, by submitting a Conversion Notice in accordance with Section 4 using the Alternate Conversion Price in lieu of the Fixed Conversion Price (each conversion an "Alternate Conversion" and each day on which the Holder effects an Alternate Conversion, an "Alternate Conversion Date").

(ii) Notice. Upon the occurrence and continuation of an Event of Default with respect to this Note, the Company shall within two (2) Business Days of the Company becoming aware of such Event of Default deliver written notice thereof to the Holder via electronic mail to the Holder.

Section 9. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, including, without limitation, any Conversion Notice, 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 above, 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 9(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 email attachment, or sent by a nationally recognized overnight courier service addressed to each Holder at the email address or address of the Holder appearing on the books of the Company, or if no such 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 email attachment to the email address set forth on the signature pages attached hereto prior to 5:30 p.m. (New York City time) on any date, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via email attachment to the email address set forth on the signature pages attached hereto 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) Absolute Obligation. 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 of, liquidated damages and accrued interest, as applicable, on 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 ranks pari passu with all other Notes now or hereafter issued under the terms set forth herein.

(c) Lost or Mutilated Note. If this Note shall be mutilated, lost, stolen or destroyed, 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 in the state and federal courts sitting in the City of New York, Borough of Manhattan (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 Required Holders 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 Required Holders 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 Required Holders must be in writing. Any provision of this Note may be waived by the Required Holders, which waiver shall be binding on all of the Holders of the Note and their successors and assigns. Any provision of this Note may be amended by a written instrument executed by the Company and the Required Holders, which amendment shall be binding on all of the Holders of the Notes and their successors and assigns.

(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. 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. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Note, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

(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.

(j) Secured Obligation. The obligations of the Company under this Note are secured by the collateral pursuant to the Security Documents.

Section 10. Disclosure. Upon receipt or delivery by the Company of any notice in accordance with the terms of this Note, unless the Company has in good faith determined that the matters relating to such notice do not constitute material, nonpublic information relating to the Company or its Subsidiaries, the Company shall within the time required by the rules and regulations of Commission, but in no event within two (2) Trading Days, publicly disclose such material, nonpublic information on a Current Report 8-K or otherwise. In the event that the Company believes that a notice contains material, non-public information relating to the Company or its Subsidiaries, the Company so shall indicate to the Holder contemporaneously with delivery of such notice, and in the absence of any such indication, the Holder shall be allowed to presume that all matters relating to such notice do not constitute material, nonpublic information relating to the Company or its Subsidiaries.

Section 11. Certain Tax Matters. All payments to be made by the Company under this Note (whether in cash or in shares of Common Stock) shall be made without any Tax Deduction (as defined below) unless a Tax Deduction is required by law. The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Holder accordingly. If a Tax Deduction is required by law to be made by the Company, the amount of the payment due from the Company under this Note shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due under this Note if no Tax Deduction had been required; provided, however, no such increase is required to the extent any holder changes its residency for tax purposes or assigns or transfers its rights and obligations pursuant to this Note and such action leads to the imposition of Tax Deduction on payment that would not have been imposed in the absence of such action or an increase in such liability above the liability that would have been imposed in the absence of such action. If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law. Within thirty (30) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Company shall deliver to the Holder evidence reasonably satisfactory to the Holder that the Tax Deduction has been made and that any appropriate payment has been paid to the relevant taxing authority. For greater certainty, (i) this Section 11 applies to all payments, whether in the form of cash, shares of Common Stock or otherwise, made under this Note, and (ii) the Company is obligated to indemnify the Holder pursuant to this Section 11 in the event that a Tax Deduction is required in respect of any payment to be made to the Holder under this Note and the Company and/or its Subsidiaries fail to comply with this Section 11. For purposes of this Section 11, "Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and "Tax Deduction" means any deduction or withholding for or on account of any Tax.

(Signature Page Follows)

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.

FINGERMOTION, INC.

By: _____
Name: Jolie Kahn
Title: Chief Executive Officer

ANNEX A

The undersigned hereby elects to convert \$_____ of [Monthly Redemption Conversion Amount]/[Outstanding Value] under the Senior Secured Convertible Note due August 16, 2027 (the “Note”) of FingerMotion, Inc., a Delaware corporation (the “Company”), into shares of Common Stock (the “Conversion Shares”) of the Company according to the conditions of the Note, as of the date written below. If Conversion Shares 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 reasonably requested by the Company in accordance therewith. No fee will be charged to the Holder for any conversion, except for such transfer taxes, if any.

By the delivery of this Conversion Notice, the undersigned represents and warrants to the Company that its ownership of the Common Stock does not exceed the amounts specified under Section 4(d) of the Note, as determined in accordance with Section 13(d) of the Exchange Act.

Conversion Date: _____

Amount of Note to be Converted (Monthly Redemption Conversion Amount or Outstanding Value): \$ _____

Applicable Conversion Price (Fixed Conversion Price / Redemption Conversion Price / Alternate Conversion Price): \$ _____

Number of Conversion Shares to be issued: _____

Signature: _____

Name: _____

Address for Delivery of Common Stock Certificates:

Or

DWAC Instructions:

Broker No: _____

Account No: _____

COMMON STOCK PURCHASE WARRANT

FINGERMOTION, INC.

Warrant Shares: 4,092,993

Initial Exercise Date: August 16, 2026

Issue Date: **AUGUST 16, 2026**

THIS COMMON STOCK PURCHASE WARRANT (the “Warrant”) certifies that, for value received, Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B or its assigns (the “Holder”) is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after August 16, 2026 (the “Initial Exercise Date”) and on or prior to 5:00 p.m. (New York City time) on August 16, 2031 (the “Termination Date”) but not thereafter, to subscribe for and purchase from FingerMotion, Inc., a Delaware corporation (the “Company”), up to 4,092,993 shares (as subject to adjustment hereunder, the “Warrant Shares”) of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain Securities Purchase Agreement (the “Purchase Agreement”), dated August 16, 2026, among the Company and the purchasers signatory thereto.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company of a duly executed PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the “Notice of Exercise”). Within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in Section 2(d)(i) herein) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the shares specified in the applicable Notice of Exercise by wire transfer or cashier’s check drawn on a United States bank unless the cashless exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise on the Trading Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b) Exercise Price. The exercise price per share of Common Stock under this Warrant shall be \$0.35, subject to adjustment hereunder (the “Exercise Price”).

c) Cashless Exercise. If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder, then this Warrant may also be exercised, in whole or in part, at such time by means of a “cashless exercise” in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing $[(A-B) (X)]$ by (A), where:

(A) = as applicable: (i) the VWAP on the Trading Day immediately preceding the date of the applicable Notice of Exercise if such Notice of Exercise is (1) delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day or (2) delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of “regular trading hours” (as defined in Rule 600 of Regulation NMS promulgated under the federal securities laws) on such Trading Day, (ii) the highest Bid Price of the Common Stock on the principal Trading Market as reported by Bloomberg L.P. (“Bloomberg”) within two (2) hours of the time of the Holder’s delivery of the Notice of Exercise pursuant to Section 2(a) hereof if such Notice of Exercise is delivered during “regular trading hours,” or within two (2) hours after the close of “regular trading hours” on a Trading Day or (iii) the VWAP on the date of the applicable Notice of Exercise if the date of such Notice of Exercise is a Trading Day and such Notice of Exercise is delivered pursuant to Section 2(a) hereof after two (2) hours following the close of “regular trading hours” on such Trading Day;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the registered characteristics of the Warrants being exercised. The Company agrees not to take any position contrary to this Section 2(c).

“Bid Price” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on The Pink Open Market (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if the OTCQB Venture Market (“OTCQB”) or the OTCQX Best Market (“OTCQX”) is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported on the Pink Open Market (“Pink Market”) operated by the OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder’s or its designee’s balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system (“DWAC”) if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by Holder or (B) this Warrant is being exercised via cashless exercise, and otherwise by physical delivery of a certificate, registered in the Company’s share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is the earlier of (i) one (1) Trading Day after the delivery to the Company of the Notice of Exercise and (ii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the “Warrant Share Delivery Date”); provided that the Company shall not be required to deliver the Warrant Shares until payment of the Exercise Price (other than in the case of a cashless exercise) has been received. Upon delivery of the Notice of Exercise, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares, provided that payment of the aggregate Exercise Price (other than in the case of a cashless exercise) is received within the earlier of (i) one (1) Trading Day and (ii) the number of Trading Days comprising the Standard Settlement Period following delivery of the Notice of Exercise. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, (provided that the Company shall have received payment of the Exercise Price (other than in the case of a cashless exercise) on or prior to the Warrant Share Delivery Date), the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), \$10 per Trading Day (increasing to \$20 per Trading Day on the third Trading Day after the Warrant Share Delivery Date) for each Trading Day after such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise. The Company agrees to maintain a transfer agent that is a participant in the FAST program so long as this Warrant remains outstanding and exercisable. As used herein, “Standard Settlement Period” means the standard settlement period, expressed in a number of Trading Days, on the Company’s primary Trading Market with respect to the Common Stock as in effect on the date of delivery of the Notice of Exercise.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, 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 Exercise Price or round up to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

- e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, 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 exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein 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 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is 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. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company 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. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (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 Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a 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 Warrant, by the 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 Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), 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 shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) 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 provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained 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 Warrant.

- f) Exchange Cap. The Company shall not issue any shares of Common Stock upon the exercise of this Warrant 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 or otherwise pursuant to the terms of the Notes, the Warrants and the May Securities (as defined in the Purchase Agreement) without breaching the Company's obligations under the rules or regulations of the Principal Market, which number of shares is 12,256,260 shares of Common Stock (representing 19.99% of the total number of shares of Common Stock outstanding on the date of the May SPA (as defined in the Purchase Agreement)) (the number of shares 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 requisite approval of its stockholders to issue shares of Common Stock in excess of the Exchange Cap 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 Holder. Until such approval or such written opinion is obtained, no Buyer shall be issued in the aggregate, upon conversion or exercise (as the case may be) of any Notes, Warrants or May Securities or otherwise pursuant to the terms thereof, shares of Common Stock in an amount greater than the product of (i) the Exchange Cap as of the Issue Date multiplied by (ii) the quotient of (1) the original principal amount of Notes issued to such Buyer pursuant to the Purchase Agreement on the Closing Date (as defined in the Purchase Agreement) divided by (2) the aggregate original principal amount of all Notes issued to the Buyers pursuant to the Purchase Agreement on the Closing Date (with respect to each Buyer, the "Exchange Cap Allocation"). In the event that any Buyer shall sell or otherwise transfer any of such Buyer's Notes, the transferee shall be allocated a pro rata portion of such Buyer's Exchange Cap Allocation with respect to such portion of such Notes 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 and exercise in full of a Buyer's Notes, the difference (if any) between such Buyer's Exchange Cap Allocation and the number of shares of Common Stock actually issued to such Buyer upon such Buyer's conversion in full of such Notes shall be allocated to the respective Exchange Cap Allocations of the remaining Buyers on a pro rata basis in proportion to the shares of Common Stock underlying the Notes then held by each such Buyer.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(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) Adjustment Upon Issuance of Shares of Common Stock. If and whenever on or after the date of issuance (the “Issuance Date”), the Company issues or sells (or enters into any agreement to grant, issue or sell), or in accordance with this Section 3(b) is deemed to have issued or sold, any shares of Common Stock and/or Common Stock Equivalents (including the issuance or sale of shares of Common Stock owned or held by or for the account of the Company, but excluding any Exempt Issuance (as defined in Section 3(b)(v)) issued or sold or deemed to have been issued or sold) for a consideration per share (the “New Issuance Price”) less than a price equal to the Exercise Price in effect immediately prior to such issuance or sale or deemed issuance or sale (such Exercise Price then in effect is referred to herein as the “Applicable Price”) (the foregoing a “Dilutive Issuance”), then simultaneously with the consummation (or, if earlier, the announcement) of each such Dilutive Issuance, the Exercise Price then in effect shall be reduced to an amount equal to the New Issuance Price. For all purposes of the foregoing (including, without limitation, determining the adjusted Exercise Price and the New Issuance Price under this Section 3(b)), the following shall be applicable:

(i) Issuance of Options. If the Company in any manner grants or sells any rights, warrants or options to subscribe for or purchase shares of preferred stock and/or Common Stock or Common Stock Equivalents (“Options”) and the lowest price per share for which one share of Common Stock is at any time issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Common Stock Equivalents issuable upon exercise of any such Option or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the granting or sale of such Option for such price per share. For purposes of this Section 3(b)(i), the “lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Common Stock Equivalents issuable upon exercise of any such Option or otherwise pursuant to the terms thereof” shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Common Stock Equivalents issuable upon exercise of such Option or otherwise pursuant to the terms thereof and (y) the lowest exercise price set forth in such Option for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Common Stock Equivalents issuable upon exercise of any such Option or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Option (or any other Person) upon the granting, issuance or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Common Stock Equivalents issuable upon exercise of such Option or otherwise pursuant to the terms thereof plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other Person). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock or of such Common Stock Equivalents upon the exercise of such Options or otherwise pursuant to the terms of or upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Common Stock Equivalents. This Section 3(b)(i) shall not apply to any Exempt Issuance.

(ii) Issuance of Common Stock Equivalents. If the Company in any manner issues or sells any Common Stock Equivalents and the lowest price per share for which one share of Common Stock is at any time issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof is less than the Exercise Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the issuance or sale of such Common Stock Equivalents for such price per share. For the purposes of this Section 3(b)(ii), the “lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof” shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to one share of Common Stock upon the issuance or sale of the Common Stock Equivalent and upon conversion, exercise or exchange of such Common Stock Equivalent or otherwise pursuant to the terms thereof and (y) the lowest conversion price set forth in such Common Stock Equivalent for which one share of Common Stock is issuable upon conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Common Stock Equivalent (or any other Person) upon the issuance or sale of such Common Stock Equivalent plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Common Stock Equivalent (or any other Person). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Common Stock Equivalents or otherwise pursuant to the terms thereof, and if any such issuance or sale of such Common Stock Equivalents is made upon exercise of any Options for which adjustment of the Warrant has been or is to be made pursuant to other provisions of this Section 3(b), except as contemplated below, no further adjustment of the Exercise Price shall be made by reason of such issuance or sale. This Section 3(b)(ii) shall not apply to any Exempt Issuance.

(iii) Change in Option Price or Rate of Conversion. If the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Common Stock Equivalents, or the rate at which any Common Stock Equivalents are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time (other than proportional changes in conversion or exercise prices, as applicable, in connection with an event referred to in Section 3(a)), the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such Options or Common Stock Equivalents provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate, as the case may be, at the time initially granted, issued or sold. For purposes of this Section 3(b)(iii), if the terms of any Option or Common Stock Equivalents that was outstanding as of the Issuance Date are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Common Stock Equivalents and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 3(b) shall be made if such adjustment would result in an increase of the Exercise Price then in effect. This Section 3(b)(iii) shall not apply to any Exempt Issuance.

(iv) Calculation of Consideration Received. If any Option and/or Common Stock Equivalent and/or Adjustment Right is issued in connection with the issuance or sale or deemed issuance or sale of any other securities of the Company (as determined by the Holder, the “Primary Security”, and such Option and/or Common Stock Equivalent and/or Adjustment Right, the “Secondary Securities” and together with the Primary Security, each a “Unit”), together comprising one integrated transaction, the aggregate consideration per share of Common Stock with respect to such Primary Security shall be deemed to be the lowest of (x) the purchase price of such Unit, (y) if such Primary Security is an Option and/or Common Stock Equivalent, the lowest price per share for which one share of Common Stock is at any time issuable upon the exercise or conversion of the Primary Security in accordance with Section 3(b)(i) or 3(b)(ii) above and (z) the lowest VWAP on any Trading Day during the five (5) Trading Day period (the “Adjustment Period”) immediately following the public announcement of such Dilutive Issuance (for the avoidance of doubt, if such public announcement is released prior to the opening of the applicable Trading Market on a Trading Day, such Trading Day shall be the first Trading Day in such five Trading Day period and if this Warrant is exercised, on any given Exercise Date during any such Adjustment Period, solely with respect to such portion of this Warrant converted on such applicable Exercise Date, such applicable Adjustment Period shall be deemed to have ended on, and included, the Trading Day immediately prior to such Exercise Date). If any shares of Common Stock, Options or Common Stock Equivalents are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor will be deemed to be the net amount of consideration received by the Company therefor. If any shares of Common Stock, Options or Common Stock Equivalents are issued or sold for a consideration other than cash, the amount of such consideration received by the Company will be the fair value of such consideration, except where such consideration consists of publicly traded securities, in which case the amount of consideration received by the Company for such securities will be the lowest VWAP on any Trading Day during the five (5) Trading Day period immediately preceding the date of receipt. If any shares of Common Stock, Options or Common Stock Equivalents are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity, the amount of consideration therefor will be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such shares of Common Stock, Options or Common Stock Equivalents (as the case may be). The fair value of any consideration other than cash or publicly traded securities will be determined jointly by the Company and the Holder. If such parties are unable to reach agreement within ten (10) days after the occurrence of an event requiring valuation (the “Valuation Event”), the fair value of such consideration will be determined within five (5) Trading Days after the tenth (10th) day following such Valuation Event by an independent, reputable appraiser jointly selected by the Company and the Holder. The determination of such appraiser shall be final and binding upon all parties absent manifest error and the fees and expenses of such appraiser shall be borne by the Company. For purposes of hereof, “Adjustment Right” means any right granted with respect to any securities issued in connection with, or with respect to, any issuance or sale (or deemed issuance or sale in accordance with this Section 3(b)) of shares of Common Stock (other than rights of the type described in Section 3(c) and Section 3(d) hereof) that could result in a decrease in the net consideration received by the Company in connection with, or with respect to, such securities (including, without limitation, any cash settlement rights, cash adjustment or other similar rights).

(iv) Record Date. If the Company takes a record of the holders of shares of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in shares of Common Stock, Options or in Common Stock Equivalents or (B) to subscribe for or purchase shares of Common Stock, Options 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).

(v) Exempt Issuance. For the purposes of this Section 3(b), “Exempt Issuance” means the issuance of (a) shares of Common Stock or options to employees, officers or directors of the Company pursuant to any stock or option or other form of equity compensation plan duly adopted for such purpose, by a majority of the non-employee members of the Board of Directors or a majority of the members of a committee of non-employee directors established for such purpose for services rendered to the Company, (b) shares of Common Stock or warrants to purchase shares of Common Stock to consultants or advisors to the Company or any of its Subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors, provided that such securities are issued as “restricted securities” (as defined in Rule 144) and carry no registration rights that require or permit the filing of any registration statement in connection therewith during the Standstill Period (as defined in the Purchase Agreement), (c) securities upon the exercise or exchange of or conversion of (i) any Securities issued pursuant to the Purchase Agreement, and/or (ii) any other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of the Purchase Agreement, provided that such securities have not been amended since the date of the Purchase Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, (d) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Company, provided that such securities are issued as “restricted securities” (as defined in Rule 144) and carry no registration rights that require or permit the filing of any registration statement in connection therewith during the Standstill Period (as defined in the Purchase Agreement), and provided that any such issuance shall only be to a Person (or to the equityholders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities, and (e) any shares of Common Stock issued and sold pursuant to an ATM Program at prevailing market prices for the shares of Common Stock by a bona fide investment bank.

c) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time 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 shares of Common Stock (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 exercise of this Warrant (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, 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).

d) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make 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) (a “Distribution”), at any time after the issuance of this Warrant, 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 exercise of this Warrant (without regard to any limitations on exercise 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, 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 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). To the extent that this Warrant has not been partially or completely exercised at the time of such Distribution, such portion of the Distribution shall be held in abeyance for the benefit of the Holder until the Holder has exercised this Warrant.

e) Fundamental Transaction. If, at any time while this Warrant is outstanding, (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 or any Subsidiary, 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 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 greater than 50% of the outstanding Common Stock or greater than 50% of the voting power of the common equity of the Company, (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 Common Stock is 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 or group of Persons whereby such other Person or group acquires greater than 50% of the outstanding shares of Common Stock or greater than 50% of the voting power of the common equity of the Company (each a “Fundamental Transaction”), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in Section 2(e) on the exercise of this Warrant), 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 Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in Section 2(e) on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise 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 exercise of this Warrant following such Fundamental Transaction. Notwithstanding anything to the contrary, in the event of a Fundamental Transaction, the Company or any Successor Entity (as defined below) shall, at the Holder’s option, exercisable at any time concurrently with, or within 30 days after, the consummation of the Fundamental Transaction (or, if later, the date of the public announcement of the applicable Fundamental Transaction), purchase this Warrant from the Holder by paying to the Holder an amount of cash equal to the Black Scholes Value (as defined below) of the remaining unexercised portion of this Warrant on the date of the consummation of such Fundamental Transaction; provided, however, that, if the Fundamental Transaction is not within the Company’s control, including not approved by the Company’s Board of Directors, the Holder shall only be entitled to receive from the Company or any Successor Entity the same type or form of consideration (and in the same proportion), at the Black Scholes Value of the unexercised portion of this Warrant, that is being offered and paid to the holders of Common Stock of the Company in connection with the Fundamental Transaction, whether that consideration be in the form of cash, stock or any combination thereof, or whether the holders of Common Stock are given the choice to receive from among alternative forms of consideration in connection with the Fundamental Transaction; provided, further, that if holders of Common Stock of the Company are not offered or paid any consideration in such Fundamental Transaction, such holders of Common Stock will be deemed to have received common stock of the Successor Entity (which Successor Entity may be the Company following such Fundamental Transaction) in such Fundamental Transaction. “Black Scholes Value” means the value of this Warrant based on the Black-Scholes Option Pricing Model obtained from the “OV” function on Bloomberg determined as of the day of consummation of the applicable Fundamental Transaction for pricing purposes and reflecting (A) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the time between the date of the public announcement of the applicable contemplated Fundamental Transaction and the Termination Date, (B) an expected volatility equal to the greater of (1) the 30 day volatility, (2) the 100 day volatility or (3) the 365 day volatility, each of clauses (1)-(3) as obtained from the HVT function on Bloomberg (determined utilizing a 365 day annualization factor) as of the Trading Day immediately following the public announcement of the applicable contemplated Fundamental Transaction, (C) the underlying price per share used in such calculation shall be the greater of (i) the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in such Fundamental Transaction and (ii) the highest VWAP during the period beginning on the Trading Day immediately preceding the public announcement of the applicable contemplated Fundamental Transaction (or the consummation of the applicable Fundamental Transaction, if earlier) and ending on the Trading Day of the Holder’s request pursuant to this Section 3(e), (D) a remaining option time equal to the time between the date of the public announcement of the applicable contemplated Fundamental Transaction and the Termination Date and (E) a zero cost of borrow. The payment of the Black Scholes Value will be made by wire transfer of immediately available funds (or such other consideration) within the later of (i) five Business Days of the Holder’s election and (ii) the date of consummation of the 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 Warrant in accordance with the provisions of this Section 3(e) 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, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable 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 exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise 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 exercise price being for the purpose of protecting the economic value of this Warrant 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 be added to the term “Company” under this Warrant (so that from and after the occurrence or consummation of such Fundamental Transaction, each and every provision of this Warrant referring to the “Company” shall refer instead to each of the Company and the Successor Entity or Successor Entities, jointly and severally), and the Successor Entity or Successor Entities, jointly and severally with the Company, may exercise every right and power of the Company prior thereto and the Successor Entity or Successor Entities shall assume all of the obligations of the Company prior thereto under this Warrant with the same effect as if the Company and such Successor Entity or Successor Entities, jointly and severally, had been named as the Company herein. For the avoidance of doubt, the Holder shall be entitled to the benefits of the provisions of this Section 3(e) regardless of (i) whether the Company has sufficient authorized shares of Common Stock for the issuance of Warrant Shares and/or (ii) whether a Fundamental Transaction occurs prior to the Initial Exercise Date.

f) Calculations. All calculations under this Section 3 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 3, 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 treasury shares, if any) issued and outstanding.

g) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock 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 Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company (or any of its Subsidiaries) is a party, any sale or transfer of all or substantially all of its assets, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by email to the Holder at its last email address as it shall appear upon the Warrant Register of the Company, at least 20 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 of record 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. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

h) Voluntary Adjustment By Company. Subject to the rules and regulations of the Trading Market, the Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the board of directors of the Company.

i) Share Combination Event Adjustment. In addition to the adjustments set forth in Section 3(a) above, if at any time and from time to time on or after the Issue Date, there occurs any share split, share dividend, share combination recapitalization or other similar transaction involving the Common Stock (each, a “Share Combination Event”, and each such date thereof, the “Share Combination Event Date”) and the lowest VWAP during the period commencing five (5) consecutive Trading Days immediately preceding and ending immediately after the five (5) consecutive Trading Days commencing on the applicable Share Combination Event Date (the “Event Market Price”) (provided if the Share Combination Event is effective after close of trading on the primary Trading Market, then commencing on the next Trading Day which period shall be the “Share Combination Adjustment Period”) is less than the Exercise Price then in effect (after giving effect to the adjustment in Section 3(a) above), then at the close of trading on the primary Trading Market on the last day of the applicable Share Combination Adjustment Period, the Exercise Price then in effect on such fifth (5th) Trading Day shall be reduced (but in no event increased) to the Event Market Price, provided, however, that any adjusted Exercise Price shall not be less than the Floor Price (as defined below). For the avoidance of doubt, (a) if the adjustment in the immediately preceding sentence would otherwise result in an increase in the Exercise Price hereunder, no adjustment shall be made, (b) if this Warrant is exercised, on any given exercise date during a Share Combination Adjustment Period, solely with respect to such portion of this Warrant exercised on such applicable exercise date, such applicable Share Combination Adjustment Period shall be deemed to have ended on, and included, the Trading Day immediately prior to such exercise date and the Event Market Price on such applicable exercise date will be the lowest VWAP of the Common Stock during such Share Combination Adjustment Period immediately prior to such exercise date and ending on, and including the Trading Day immediately prior to such exercise date and (c) all adjustments pursuant to this Section 3(i) shall also be subject to Section 3(a) above, including any Event Market Price. As used herein, “Floor Price” shall mean \$0.06 (subject to adjustment for stock splits, stock dividends, stock combinations, recapitalizations or other similar events). An adjustment to the Exercise Price pursuant to this Section 3(i) shall take place as a result of each Share Combination Event that occurs while this Warrant remains outstanding.

Section 4. Transfer of Warrant.

a) Transferability. This Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the initial issuance date of this Warrant and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the “Warrant Register”), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Stockholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3. Without limiting any rights of a Holder to receive Warrant Shares on a “cashless exercise” pursuant to Section 2(c) or to receive cash payments pursuant to Section 2(d)(i) and Section 2(d)(iv) herein, in no event shall the Company be required to net cash settle an exercise of this Warrant.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. 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.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

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

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant or the Purchase Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Purchase Agreement.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

(Signature Page Follows)

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

FINGERMOTION, INC.

By: _____

Name: Jolie Kahn

Title: Chief Executive Officer

NOTICE OF EXERCISE

TO: FINGERMOTION, INC.

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

[] in lawful money of the United States; or

[] [if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

The Warrant Shares shall be delivered to the following DWAC Account Number:

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Phone Number: _____

Email Address: _____

Dated: _____, _____

Holder’s Signature: _____

Holder’s Address: _____

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “Agreement”) is made and entered into as of August 16, 2026, by and between FingerMotion, Inc., a Delaware corporation (the “Company”), and each of the several buyers signatory hereto (each such Buyer, a “Buyer” and, collectively, the “Buyers”).

This Agreement is made pursuant to the Securities Purchase Agreement, dated as of the date hereof, between the Company and each Buyer (the “Purchase Agreement”), pursuant to which the Company agreed to issue and sell to the Buyers Senior Secured Convertible Notes due August 16, 2027, in the original principal amount of \$5,000,000 (the “Notes”) and Common Stock purchase warrants (the “Warrants”).

The Company and each Buyer hereby agrees as follows:

1. Definitions.

Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

“Advice” shall have the meaning set forth in Section 6(c).

“Effectiveness Deadline” means, (i) with respect to the Initial Registration Statement required to be filed hereunder, the 60th calendar day following the Closing Date (or the 90th calendar day in the event of a full review by the Commission), or if the Company is not then eligible to register the resale of the Registrable Securities on Form S-3, the 75th calendar day following the date hereof (or the 105th calendar day in the event of a full review by the Commission), and (ii) with respect to any additional Registration Statements which may be required pursuant to Section 2(c) or Section 3(c), the 60th calendar day following the date on which an additional Registration Statement is required to be filed hereunder; provided, however, that in the event the Company is notified by the Commission that one or more of the above Registration Statements will not be reviewed or is no longer subject to further review and comments, the Effectiveness Deadline as to such Registration Statement shall be the 5th Trading Day following the date on which the Company is so notified if such date precedes the dates otherwise required above, provided, further, if such Effectiveness Deadline falls on a day that is not a Trading Day, then the Effectiveness Deadline shall be the next succeeding Trading Day.

“Effectiveness Period” shall have the meaning set forth in Section 2(a).

“Event” shall have the meaning set forth in Section 2(d).

“Event Date” shall have the meaning set forth in Section 2(d).

“Filing Date” means, (i) with respect to the Initial Registration Statement required hereunder, the 15th calendar day following the Closing Date, and, (ii) with respect to any additional Registration Statements which may be required pursuant to Section 2(c), the earliest practical date on which the Company is permitted by SEC Guidance to file such additional Registration Statement related to the Registrable Securities, and with respect to any additional Registration Statements which may be required pursuant to Section 3(c), not later than the 30th calendar day after the necessity therefor arises.

“Holder” or “Holders” means the holder or holders, as the case may be, from time to time of Registrable Securities.

“Indemnified Party” shall have the meaning set forth in Section 5(c).

“Indemnifying Party” shall have the meaning set forth in Section 5(c).

“Initial Registration Statement” means the initial Registration Statement filed pursuant to this Agreement.

“Losses” shall have the meaning set forth in Section 5(a).

“Plan of Distribution” shall have the meaning set forth in Section 2(a).

“Prospectus” means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated by the Commission pursuant to the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

“Registrable Securities” means, as of any date of determination, (i) 150% of the maximum number of Conversion Shares issuable upon conversion of the Notes (assuming for purposes hereof that (x) such Notes are convertible at the prevailing Redemption Conversion Price (as defined in the Notes), and (y) any such conversion shall not take into account any limitations on the conversion of the Notes set forth therein), (ii) 100% of the maximum number of Warrant Shares (as defined in the Purchase Agreement) issuable upon exercise of the Warrants, and (iii) any securities issued or then issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the foregoing; provided, however, that any such Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) for so long as (a) the Registration Statement with respect to the resale of such Registrable Securities is declared effective by the Commission under the Securities Act and such Registrable Securities have been disposed of by the Holder in accordance with such effective Registration Statement, (b) such Registrable Securities have been previously sold in accordance with Rule 144, or (c) such securities become eligible for resale without volume or manner-of-sale restrictions and without current public information pursuant to Rule 144 as set forth in a written opinion letter to such effect, addressed, delivered and acceptable to the Transfer Agent and the affected Holders (assuming that such securities and any securities issuable upon exercise, conversion or exchange of which, or as a dividend upon which, such securities were issued or are issuable, were at no time held by any Affiliate of the Company).

“Registration Statement” means any registration statement required to be filed hereunder pursuant to Section 2(a) and any additional registration statements contemplated by Section 2(c) or Section 3(c), including (in each case) the Prospectus, amendments and supplements to any such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in any such registration statement.

“Rule 415” means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“Rule 424” means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“Selling Stockholder Questionnaire” shall have the meaning set forth in Section 3(a).

“SEC Guidance” means (i) any publicly-available written or oral guidance of the Commission staff, or any comments, requirements or requests of the Commission staff and (ii) the Securities Act.

2. Shelf Registration.

(a) On or prior to each Filing Date, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities that are not then registered on an effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415. Each Registration Statement filed hereunder shall be on Form S-3 (except if the Company is not then eligible to register for the resale of the Registrable Securities on Form S-3, in which case such registration shall be on another appropriate form in accordance herewith, subject to the provisions of Section 2(e)) and shall contain (unless otherwise directed by at least 85% in interest of the Holders) substantially the “Plan of Distribution” attached hereto as Annex A and substantially the “Selling Stockholder” section attached hereto as Annex B; provided, however, that no Holder shall be required to be named as an “underwriter” without such Holder’s express prior written consent. Subject to the terms of this Agreement, the Company shall use its best efforts to cause a Registration Statement filed under this Agreement (including, without limitation, under Section 3(c)) to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event no later than the applicable Effectiveness Deadline, and shall use its best efforts to keep such Registration Statement continuously effective under the Securities Act until the date that all Registrable Securities covered by such Registration Statement are no longer Registrable Securities (the “Effectiveness Period”). The Company shall telephonically request effectiveness of a Registration Statement as of 5:00 p.m. (New York City time) on a Trading Day. The Company shall immediately notify the Holders via e-mail of the effectiveness of a Registration Statement on the same Trading Day that the Company telephonically confirms effectiveness with the Commission, which shall be the date requested for effectiveness of such Registration Statement. The Company shall, by 9:30 a.m. (New York City time) on the Trading Day after the effective date of such Registration Statement, file a final Prospectus with the Commission as required by Rule 424. Failure to notify the Holder within one (1) Trading Day of such notification of effectiveness or failure to file a final Prospectus as foresaid shall be deemed an Event under Section 2(d).

(b) Notwithstanding the registration obligations set forth in Section 2(a), if the Commission informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, the Company agrees to promptly inform each of the Holders thereof and use its commercially reasonable efforts to file amendments to the Initial Registration Statement as required by the Commission, covering the maximum number of Registrable Securities permitted to be registered by the Commission, on Form S-3 or such other form available to register for resale the Registrable Securities as a secondary offering, subject to the provisions of Section 2(e); with respect to filing on Form S-3 or other appropriate form, and subject to the provisions of Section 2(d) with respect to the payment of liquidated damages; provided, however, that prior to filing such amendment, the Company shall be obligated to use commercially reasonable efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, Compliance and Disclosure Interpretation 612.09.

(c) Notwithstanding any other provision of this Agreement and subject to the payment of liquidated damages pursuant to Section 2(d), if the Commission or any SEC Guidance sets forth a limitation on the number of Registrable Securities permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company used commercially reasonable efforts to advocate with the Commission for the registration of all or a greater portion of Registrable Securities), unless otherwise directed in writing by a Holder as to its Registrable Securities to register a lesser number, the number of securities to be registered on such Registration Statement will be reduced as follows: (i) first, the Company shall reduce or eliminate any securities to be included other than Registrable Securities; and (ii) second, the Company shall reduce Registrable Securities on a pro rata basis based on the total number of unregistered Registrable Securities held by such Holders; provided, however, that all Warrant Shares shall be removed before any Conversion Shares are removed. In the event of a cutback hereunder, the Company shall give the Holder at least five (5) Trading Days prior written notice along with the calculations as to such Holder's allotment. In the event the Company amends the Initial Registration Statement in accordance with the foregoing, the Company will use its commercially reasonable efforts to file with the Commission, as promptly as allowed by Commission or SEC Guidance provided to the Company or to registrants of securities in general, one or more registration statements on Form S-3 or such other form available to register for resale those Registrable Securities, including any Warrant Shares, that were not registered for resale on the Initial Registration Statement, as amended.

(d) If: (i) the Initial Registration Statement is not filed on or prior to its Filing Date (if the Company files the Initial Registration Statement without affording the Holders the opportunity to review and comment on the same as required by Section 3(a) herein or the Company subsequently withdraws the filing of the Registration Statement, the Company shall be deemed to have not satisfied this clause (i) as of the Filing Date), or (ii) the Company fails to file with the Commission a request for acceleration of a Registration Statement in accordance with Rule 461 promulgated by the Commission pursuant to the Securities Act, within five (5) Trading Days of the date that the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be “reviewed” or will not be subject to further review, or (iii) prior to the effective date of a Registration Statement, the Company fails to file a pre-effective amendment and otherwise respond in writing to comments made by the Commission in respect of such Registration Statement within fifteen (15) calendar days after the receipt of comments by or notice from the Commission that such amendment is required in order for such Registration Statement to be declared effective, or (iv) a Registration Statement registering for resale any Registrable Securities is not declared effective by the Commission by its Effectiveness Deadline (provided if the Registration Statement does not allow for the resale of Registrable Securities at prevailing market prices (i.e., only allows for fixed price sales), the Company shall have been deemed to have not satisfied this clause) or (v) after the effective date of a Registration Statement, such Registration Statement ceases for any reason to remain continuously effective as to all Registrable Securities included in such Registration Statement, other than with respect to the filing of a post-effective amendment to a Registration Statement on Form S-1 to update such Registration Statement to incorporate by reference or otherwise include the information contained in an Annual Report on Form 10-K filed by the Company with the Commission, or the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than 10 consecutive calendar days or more than an aggregate of 15 calendar days (which need not be consecutive calendar days) during any 12-month period (any such failure or breach being referred to as an “Event”, and for purposes of clauses (i) and (iv), the date on which such Event occurs, and for purpose of clause (ii) the date on which such 5 Trading Day period is exceeded, and for purpose of clause (iii) the date on which such 10 calendar day period is exceeded, and for purpose of clause (v) the date on which such 10 or 15 calendar day period, as applicable, is exceeded being referred to as “Event Date”), then, in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the applicable Event is cured, the Company shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to the product of 2.0% multiplied by the sum of the Outstanding Value (as defined in the Notes) of the Notes. The parties agree that the maximum aggregate liquidated damages payable to a Holder under this Agreement shall be 10.00% of the aggregate Subscription Amount paid by such Holder pursuant to the Purchase Agreement. If the Company fails to pay any partial liquidated damages pursuant to this Section in full within seven days after the date payable, the Company will pay interest thereon at a rate of 14% per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. The partial liquidated damages pursuant to the terms hereof shall apply on a daily pro rata basis for any portion of a month prior to the cure of an Event. No Event shall be deemed to have occurred under this Section 2(d) if such securities are eligible for resale without volume or manner-of-sale restrictions and the Company remains in compliance with the current public information requirement under Rule 144.

(e) If Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-3 as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission. Notwithstanding anything to the contrary contained herein, any reference herein to a filing of an alternative form where Form S-3 is not available shall include such filing on Form S-1.

(f) Notwithstanding anything to the contrary contained herein, in no event shall the Company be permitted to name any Holder or affiliate of a Holder as any “underwriter” without the prior written consent of such Holder.

3. Registration Procedures.

In connection with the Company’s registration obligations hereunder, the Company shall:

(a) Not less than 5 Trading Days prior to the filing of each Registration Statement and not less than 1 Trading Day prior to the filing of any related Prospectus or any amendment or supplement thereto (including any document that would be incorporated or deemed to be incorporated therein by reference), the Company shall (i) furnish to each Holder copies of all such documents proposed to be filed, which documents (other than those incorporated or deemed to be incorporated by reference) will be subject to the review of such Holders, and (ii) cause its officers and directors, counsel and independent registered public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act. The Company shall not file a Registration Statement or any such Prospectus or any amendments or supplements thereto to which the Holders of a majority of the Registrable Securities shall reasonably object in good faith, provided that, the Company is notified of such objection in writing no later than four (4) Trading Days after the Holders have been so furnished copies of a Registration Statement or 1 Trading Day after the Holders have been so furnished copies of any related Prospectus or amendments or supplements thereto. Each Holder agrees to furnish to the Company a completed questionnaire in the form attached to this Agreement as Annex C (a “Selling Stockholder Questionnaire”) on a date that is not less than two (2) Trading Days prior to the Filing Date or by the end of the fourth (4th) Trading Day following the date on which such Holder receives draft materials in accordance with this Section.

(b) (i) Prepare and file with the Commission such amendments, including post-effective amendments, to a Registration Statement and the Prospectus used in connection therewith as may be necessary to keep a Registration Statement continuously effective, other than with respect to the filing of a post-effective amendment on Form S-1 after the Company has filed an Annual Report on Form 10-K with the Commission, provided that (x) such Annual Report on Form 10-K has been properly filed with the Commission in accordance with the Exchange Act and (y) the Company files such post-effective amendment no later than ten (10) days after the filing of such Annual Report on Form 10-K, as to the applicable Registrable Securities for the Effectiveness Period and prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities, (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and, as so supplemented or amended, to be filed pursuant to Rule 424, (iii) respond as promptly as reasonably practicable to any comments received from the Commission with respect to a Registration Statement or any amendment thereto and provide as promptly as reasonably practicable to the Holders true and complete copies of all correspondence from and to the Commission relating to a Registration Statement (provided that, the Company shall excise any information contained therein which would constitute material non-public information regarding the Company or any of its Subsidiaries), and (iv) comply in all material respects with the applicable provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement during the applicable period in accordance (subject to the terms of this Agreement) with the intended methods of disposition by the Holders thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented.

(c) If during the Effectiveness Period, the number of Registrable Securities at any time exceeds 75% of the number of shares of Common Stock then registered in a Registration Statement, then the Company shall file as soon as reasonably practicable, but in any case prior to the Filing Date, an additional Registration Statement covering the resale by the Holders of not less than the number of such Registrable Securities.

Notwithstanding the foregoing, if at any time any Registrable Securities are not registered on an effective Registration Statement due to any limitation related to the Exchange Cap (as defined in the Notes), the Company shall, no later than 30 calendar days following the Exchange Cap Stockholder Approval Date file an additional Registration Statement or post-effective amendment covering the resale of all such previously excluded Registrable Securities. Any failure to file timely or cause such Registration Statement or amendment to become effective shall constitute an Event for purposes as outlined in Section 2(d).

(d) Notify the Holders of Registrable Securities to be sold (which notice shall, pursuant to clauses (iii) through (vi) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made) as promptly as reasonably practicable (and, in the case of (i)(A) below, not less than 1 Trading Day prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than 1 Trading Day following the day (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed, (B) when the Commission notifies the Company whether there will be a “review” of such Registration Statement and whenever the Commission comments in writing on such Registration Statement, and (C) with respect to a Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information, (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose, (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose, (v) of the occurrence of any event or passage of time that makes the financial statements included in a Registration Statement ineligible for inclusion therein or any statement made in a Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to a Registration Statement, Prospectus or other documents so that, in the case of a Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that the Company believes may be material and that, in the determination of the Company, makes it not in the best interest of the Company to allow continued availability of a Registration Statement or Prospectus; provided, however, that in no event shall any such notice contain any information which would constitute material, non-public information regarding the Company or any of its Subsidiaries, and the Company agrees that the Holders shall not have any duty of confidentiality to the Company or any of its Subsidiaries and shall not have any duty to the Company or any of its Subsidiaries not to trade on the basis of such information.

(e) Use its commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order stopping or suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment.

(f) Furnish to each Holder, without charge, at least one conformed copy of each such Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission, provided that any such item which is available on the EDGAR system (or successor thereto) need not be furnished in physical form.

(g) Subject to the terms of this Agreement, the Company hereby consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto, except after the giving of any notice pursuant to Section 3(d).

(h) Prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with the selling Holders in connection with the registration or qualification (or exemption from the registration or qualification) of such Registrable Securities for the resale by the Holder under the securities or Blue Sky laws of such jurisdictions within the United States as any Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement, provided that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(i) If requested by a Holder, cooperate with such Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free, to the extent permitted by the Purchase Agreement or the Notes, as applicable, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holder may request.

(j) Upon the occurrence of any event contemplated by Section 3(d), as promptly as reasonably practicable under the circumstances taking into account the Company's good faith assessment of any adverse consequences to the Company and its stockholders of the premature disclosure of such event, prepare a supplement or amendment, including a post-effective amendment, to a Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, neither a Registration Statement nor such Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Company notifies the Holders in accordance with clauses (iii) through (vi) of Section 3(d) above to suspend the use of any Prospectus until the requisite changes to such Prospectus have been made, then the Holders shall suspend use of such Prospectus. The Company will use its commercially reasonable efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company shall be entitled to exercise its right under this Section 3(j) to suspend the availability of a Registration Statement and Prospectus, subject to the payment of partial liquidated damages otherwise required pursuant to Section 2(d), for a period not to exceed 45 calendar days (which need not be consecutive days) in any 12-month period.

(k) Otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission under the Securities Act and the Exchange Act, including, without limitation, Rule 172 under the Securities Act, file any final Prospectus, including any supplement or amendment thereof, with the Commission pursuant to Rule 424 under the Securities Act, promptly inform the Holders in writing if, at any time during the Effectiveness Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, the Holders are required to deliver a Prospectus in connection with any disposition of Registrable Securities and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder.

(l) The Company may require each selling Holder to furnish to the Company a certified statement as to the number of shares of Common Stock beneficially owned by such Holder and, if required by the Commission, the natural persons thereof that have voting and dispositive control over the shares. During any periods that the Company is unable to meet its obligations hereunder with respect to the registration of the Registrable Securities solely because any Holder fails to furnish such information within 3 Trading Days of the Company's request, any liquidated damages that are accruing at such time as to such Holder only shall be tolled and any Event that may otherwise occur solely because of such delay shall be suspended as to such Holder only, until such information is delivered to the Company.

4. Registration Expenses. All fees and expenses incident to the performance of or compliance with, this Agreement by the Company shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants) (A) with respect to filings made with the Commission, (B) with respect to filings required to be made with any Trading Market on which the shares of Common Stock are then listed for trading, and (C) in compliance with applicable state securities or Blue Sky laws reasonably agreed to by the Company in writing (including, without limitation, fees and disbursements of counsel for the Company in connection with Blue Sky qualifications or exemptions of the Registrable Securities), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities), (iii) messenger, telephone and delivery expenses, (iv) fees and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, and (vi) fees and expenses of all other Persons retained by the Company in connection with the consummation of the transactions contemplated by this Agreement. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any broker or similar commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holders.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify and hold harmless each Holder, the officers, directors, members, partners, agents, brokers (including brokers who offer and sell Registrable Securities as principal as a result of a pledge or any failure to perform under a margin call of shares of Common Stock), investment advisors and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, members, stockholders, partners, agents and employees (and any other Persons with a functionally equivalent role of a Person holding such titles, notwithstanding a lack of such title or any other title) of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, arising out of or relating to (1) any untrue or alleged untrue statement of a material fact contained in a Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading or (2) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state securities law, or any rule or regulation thereunder, in connection with the performance of its obligations under this Agreement, except to the extent, but only to the extent, that (i) such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement, such Prospectus or in any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose) or (ii) in the case of an occurrence of an event of the type specified in Section 3(d)(iii)-(vi), the use by such Holder of an outdated, defective or otherwise unavailable Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated, defective or otherwise unavailable for use by such Holder and prior to the receipt by such Holder of the Advice contemplated in Section 6(c). The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified person and shall survive the transfer of any Registrable Securities by any of the Holders in accordance with Section 6(f).

(b) Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, to the extent arising out of or based solely upon: any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (i) to the extent, but only to the extent, that such untrue statement or omission is contained in any information so furnished in writing by such Holder to the Company expressly for inclusion in such Registration Statement or such Prospectus or (ii) to the extent, but only to the extent, that such information relates to such Holder's information provided in the Selling Stockholder Questionnaire or the proposed method of distribution of Registrable Securities and was reviewed and expressly approved in writing by such Holder expressly for use in a Registration Statement (it being understood that the Holder has approved Annex A hereto for this purpose), such Prospectus or in any amendment or supplement thereto. In no event shall the liability of a selling Holder be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such Holder in connection with any claim relating to this Section 5 and the amount of any damages such Holder has otherwise been required to pay by reason of such untrue statement or omission) received by such Holder upon the sale of the Registrable Securities included in the Registration Statement giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all fees and expenses incurred in connection with defense thereof, provided that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees and expenses, (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding, or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and counsel to the Indemnified Party shall reasonably believe that a material conflict of interest is likely to exist if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and the reasonable fees and expenses of no more than one separate counsel shall be at the expense of the Indemnifying Party). The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld or delayed. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all reasonable fees and expenses of the Indemnified Party (including reasonable fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section) shall be paid to the Indemnified Party, as incurred, within 10 Trading Days of written notice thereof to the Indemnifying Party, provided that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) not to be entitled to indemnification hereunder.

(d) Contribution. If the indemnification under Section 5(a) or 5(b) is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other fees or expenses incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Section was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. In no event shall the contribution obligation of a Holder of Registrable Securities be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such Holder in connection with any claim relating to this Section 5 and the amount of any damages such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission) received by it upon the sale of the Registrable Securities giving rise to such contribution obligation.

The indemnity and contribution agreements contained in this Section are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties.

6. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their respective obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, shall be entitled to specific performance of its rights under this Agreement. Each of the Company and each Holder agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall not assert or shall waive the defense that a remedy at law would be adequate.

(b) No Piggyback on Registrations; Prohibition on Filing Other Registration Statements. Neither the Company nor any of its security holders (other than the Holders in such capacity pursuant hereto) may include securities of the Company in any Registration Statements other than the Registrable Securities. The Company shall not file any other registration statements until all Registrable Securities are registered pursuant to a Registration Statement that is declared effective by the Commission, provided that this Section 6(b) shall not prohibit the Company from filing amendments to registration statements filed prior to the date of this Agreement or a Registration Statement on Form S-8 relating to any stock option or similar plan.

(c) Discontinued Disposition. By its acquisition of Registrable Securities, each Holder agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(d)(iii) through (vi), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its commercially reasonable efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company agrees and acknowledges that any periods during which the Holder is required to discontinue the disposition of the Registrable Securities hereunder shall be subject to the provisions of Section 2(d).

(d) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the same shall be in writing and signed by the Company and the Holders of 50.1% or more of the then outstanding Registrable Securities (for purposes of clarification, this includes any Registrable Securities issuable upon exercise or conversion of any Security), provided that, if any amendment, modification or waiver disproportionately and adversely impacts a Holder (or group of Holders), the consent of such disproportionately impacted Holder (or group of Holders) shall be required. If a Registration Statement does not register all of the Registrable Securities pursuant to a waiver or amendment done in compliance with the previous sentence, then the number of Registrable Securities to be registered for each Holder shall be reduced pro rata among all Holders and each Holder shall have the right to designate which of its Registrable Securities shall be omitted from such Registration Statement. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of a Holder or some Holders and that does not directly or indirectly affect the rights of other Holders may be given only by such Holder or Holders of all of the Registrable Securities to which such waiver or consent relates; provided, however, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the first sentence of this Section 6(d). No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

(e) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be delivered as set forth in the Purchase Agreement or Notes, as applicable, and for the avoidance of doubt, shall be in writing.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of each Holder. The Company may not assign (except by merger) its rights or obligations hereunder without the prior written consent of all of the Holders of the then outstanding Registrable Securities. Each Holder may assign their respective rights hereunder in the manner and to the Persons as permitted under the Purchase Agreement and Notes, as applicable.

(g) No Inconsistent Agreements. Neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. Except as set forth on Schedule 6(i), neither the Company nor any of its Subsidiaries has previously entered into any agreement granting any registration rights with respect to any of its securities to any Person that have not been satisfied in full.

(h) Execution and Counterparts. 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 e-mail delivery of a “.pdf” format data file or any electronic signature complying with the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com), 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 “.pdf” signature page were an original thereof.

(i) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be determined in accordance with the provisions of the Purchase Agreement.

(j) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(k) 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.

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

(m) Independent Nature of Holders' Obligations and Rights. The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder hereunder, and no Holder shall be responsible in any way for the performance of the obligations of any other Holder hereunder. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by any Holder pursuant hereto or thereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of group or entity, or create a presumption that the Holders are in any way acting in concert or as a group or entity with respect to such obligations or the transactions contemplated by this Agreement or any other matters, and the Company acknowledges that the Holders are not acting in concert or as a group, and the Company shall not assert any such claim, with respect to such obligations or transactions. Each Holder shall be entitled to protect and enforce its rights, including without limitation the rights arising out of this Agreement, and it shall not be necessary for any other Holder to be joined as an additional party in any proceeding for such purpose. The use of a single agreement with respect to the obligations of the Company contained was solely in the control of the Company, not the action or decision of any Holder, and was done solely for the convenience of the Company and not because it was required or requested to do so by any Holder. It is expressly understood and agreed that each provision contained in this Agreement is between the Company and a Holder, solely, and not between the Company and the Holders collectively and not between and among Holders.

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

FINGERMOTION, INC.

By: _____

Name: Jolie Kahn

Title: Chief Executive Officer

Signature Page to Registration Rights Agreement

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

NAME OF HOLDER:

Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B

By: _____

Name: Waqas Khatri

Title: Managing Member

Signature Page to Registration Rights Agreement

Plan of Distribution

Each Selling Stockholder (the “Selling Stockholders”) of the securities and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their securities covered hereby on the Principal Market or any other stock exchange, market or trading facility on which the securities are traded or in private transactions. These sales may be at fixed or negotiated prices. A Selling Stockholder may use any one or more of the following methods when selling securities:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits Buyers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales;
- in transactions through broker-dealers that agree with the Selling Stockholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- through the distribution of securities by any Selling Stockholder to its partners, members or securityholders;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Stockholders may also sell securities under Rule 144 or any other exemption from registration under the Securities Act of 1933, as amended (the “Securities Act”), if available, rather than under this prospectus.

Broker-dealers engaged by the Selling Stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the Selling Stockholders (or, if any broker-dealer acts as agent for the Buyer of securities, from the Buyer) in amounts to be negotiated, but, except as set forth in a supplement to this Prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with FINRA Rule 2121; and in the case of a principal transaction a markup or markdown in compliance with FINRA Rule 2121.

In connection with the sale of the securities or interests therein, the Selling Stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the securities in the course of hedging the positions they assume. The Selling Stockholders may also sell securities short and deliver these securities to close out their short positions, or loan or pledge the securities to broker-dealers that in turn may sell these securities. The Selling Stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or create one or more derivative securities which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction). The Company is required to pay certain fees and expenses incurred by the Company incident to the registration of the securities. The Company has agreed to indemnify the Selling Stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

The Selling Stockholders may from time to time pledge or grant a security interest in some or all of their securities to their broker-dealers under the margin provisions of customer agreements or to other parties to secure other obligations. If a Selling Stockholder defaults on a margin loan or other secured obligation, the broker-dealer or secured party may, from time to time, offer and sell the securities pledged or secured thereby pursuant to this prospectus.

A Selling Stockholder that is an entity may elect to make a pro rata in-kind distribution of securities to its members, partners or shareholders pursuant to the registration statement of which this prospectus is part by delivering a prospectus. To the extent that such members, partners or shareholders are not affiliates of the Company, such members, partners or shareholders would thereby receive freely tradeable securities pursuant to the distribution through a registration statement.

We agreed to keep this prospectus effective until the earlier of (i) the date on which the securities may be resold by the Selling Stockholders without registration and without regard to any volume or manner-of-sale limitations by reason of Rule 144, without the requirement for the Company to be in compliance with the current public information under Rule 144 under the Securities Act or any other rule of similar effect or (ii) all of the securities have been sold pursuant to this prospectus or Rule 144 under the Securities Act or any other rule of similar effect. The resale securities will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale securities covered hereby may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the resale securities may not simultaneously engage in market making activities with respect to the shares of common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the Selling Stockholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of the shares of common stock by the Selling Stockholders or any other person. We will make copies of this prospectus available to the Selling Stockholders and have informed them of the need to deliver a copy of this prospectus to each Buyer at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

Name of Selling Stockholder	Number of Shares of Common Stock Owned Prior to Offering	Maximum Number of Shares of Common Stock to be Sold Pursuant to this Prospectus	Number of Shares of Common Stock Owned After Offering
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FINGERMOTION, INC.

Selling Stockholder Notice and Questionnaire

The undersigned beneficial owner of shares of common stock (the “Registrable Securities”) of FingerMotion, Inc., a Delaware corporation the “Company”), understands that the Company has filed or intends to file with the Securities and Exchange Commission (the “Commission”) a registration statement (the “Registration Statement”) for the registration and resale under Rule 415 of the Securities Act of 1933, as amended (the “Securities Act”), of the Registrable Securities, in accordance with the terms of the Registration Rights Agreement (the “Registration Rights Agreement”) to which this document is annexed. A copy of the Registration Rights Agreement is available from the Company upon request at the address set forth below. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Registration Rights Agreement.

Certain legal consequences arise from being named as a selling stockholder in the Registration Statement and the related prospectus. Accordingly, holders and beneficial owners of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not being named as a selling stockholder in the Registration Statement and the related prospectus.

NOTICE

The undersigned beneficial owner (the “Selling Stockholder”) of Registrable Securities hereby elects to include the Registrable Securities owned by it in the Registration Statement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate:

QUESTIONNAIRE

1. Name.

(a) Full Legal Name of Selling Stockholder

(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities are held:

(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by this Questionnaire):

2. Address for Notices to Selling Stockholder:

Telephone:

E-Mail:

Contact Person:

3. **Broker-Dealer Status:**

(a) Are you a broker-dealer?

Yes ☐ No ☐

(b) If “yes” to Section 3(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If “no” to Section 3(b), the Commission’s staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

(d) If you are an affiliate of a broker-dealer, do you certify that you purchased the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If “no” to Section 3(d), the Commission’s staff has indicated that you should be identified as an underwriter in the Registration Statement.

4. **Beneficial Ownership of Securities of the Company Owned by the Selling Stockholder.**

Except as set forth below in this Item 4, the undersigned is not the beneficial or registered owner of any securities of the Company other than the securities issuable pursuant to the Purchase Agreement.

(a) Type and Amount of other securities beneficially owned by the Selling Stockholder:

5. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

The undersigned agrees to promptly notify the Company of any material inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof at any time while the Registration Statement remains effective; provided, that the undersigned shall not be required to notify the Company of any changes to the number of securities held or owned by the undersigned or its affiliates.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items 1 through 5 and the inclusion of such information in the Registration Statement and the related prospectus and any amendments or supplements thereto. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of the Registration Statement and the related prospectus and any amendments or supplements thereto.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice and Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Date: _____

Beneficial
Owner: _____
Name: _____
Title: _____

PLEASE EMAIL A PDF COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE TO:

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of August 16, 2026 (this “Agreement”), is among FingerMotion, Inc., a Delaware corporation (“Debtor”), the holders of the Notes (as defined below) and Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B, as collateral agent (in such capacity, the “Agent” and, collectively with the holders of the Notes, the “Secured Parties”).

WITNESSETH:

WHEREAS, Debtor and Alto Opportunity Master Fund, SPC – Segregated Master Portfolio B (“Alto”), entered into that certain Securities Purchase Agreement dated as of August 16, 2026 (the “Securities Purchase Agreement”), pursuant to which Debtor agreed to issue to Alto Notes due August 16, 2027, in the original principal amount of \$5,000,000 (the “Notes”);

WHEREAS, it is a requirement under the Securities Purchase Agreement that Debtor grant to the Secured Parties a security interest in substantially all of its assets to secure its obligations under the Notes;

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Certain Definitions**. As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement (x) that are defined in Article 9 of the UCC (such as “account”, “chattel paper”, “commercial tort claim”, “deposit account”, “document”, “equipment”, “fixtures”, “general intangibles”, “goods”, “instruments”, “inventory”, “investment property”, “letter-of-credit rights”, “proceeds” and “supporting obligations”) shall have the respective meanings given such terms in Article 9 of the UCC, (y) that are defined in the Notes shall have the respective meanings given to such terms in the Notes, and (z) that are defined in the Securities Purchase Agreement or the Note shall have the respective meanings given to such terms in the Securities Purchase Agreement or the Note, as applicable.

(a) “Collateral” means the following personal property of Debtor, whether presently owned or existing or hereafter acquired or coming into existence, wherever situated, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith, and all dividends, interest, cash, notes, securities, equity interest or other property at any time and from time to time acquired, receivable or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Securities:

(i) All goods, including, without limitation, (A) all machinery, equipment, computers, motor vehicles, trucks, tanks, boats, ships, appliances, furniture, special and general tools, fixtures, test and quality control devices and other equipment of every kind and nature and wherever situated, together with all documents of title and documents representing the same, all additions and accessions thereto, replacements therefor, all parts therefor, and all substitutes for any of the foregoing and all improvements thereto; and (B) all inventory;

(ii) All contract rights and other general intangibles, including, without limitation, all partnership interests, membership interests, shares or other securities, rights under any of the Organizational Documents, agreements related to the Pledged Securities, licenses, distribution and other agreements, computer software (whether “off-the-shelf”, licensed from any third party or developed by Debtor), computer software development rights, leases, franchises, customer lists, quality control procedures, grants and rights, goodwill, Intellectual Property and income tax refunds;

(iii) All accounts, together with all instruments, all documents of title representing any of the foregoing, all rights in any merchandising, goods, equipment, motor vehicles and trucks which any of the same may represent, and all right, title, security and guaranties with respect to each account, including any right of stoppage in transit;

(iv) All documents, letter-of-credit rights, instruments and chattel paper;

(v) All commercial tort claims;

(vi) All deposit accounts and all cash (whether or not deposited in such deposit accounts and, for clarity, all such accounts shall be subject to customary control agreements in favor of the Agent, including the DACA with respect to the Deposit Account);

(vii) All investment property;

(viii) All supporting obligations;

(ix) All files, records, books of account, business papers, and computer programs; and

(x) The products and proceeds of all of the foregoing Collateral set forth in clauses (i) – (ix) above.

Notwithstanding anything to the contrary contained herein, the “Collateral” shall not include (a) any property that is the subject of a lien securing purchase money indebtedness or leases permitted under the Notes pursuant to documents that prohibit Debtor from granting any other liens in such property, (b) any application to register a trademark with the United States Patent and Trademark Office on the basis of an “intent-to-use” until an applicable statement of use has been submitted and accepted by the United States Patent and Trademark Office with respect thereto, (c) any leasehold real property interests; (d) any lease, license or other contract of Debtor if the grant of a security interest in such lease, license or contract in the manner contemplated by this Agreement is prohibited by the terms of such lease, license or contract or by applicable law and would result in the termination of such lease, license or contract or give the other parties thereto the right to terminate, accelerate or otherwise adversely alter Debtor’s rights, titles and interests thereunder (including upon the giving of notice or the lapse of time or both), and (e) motor vehicles and other equipment the perfection of a security interest in which is governed by certificate of title statutes.

(b) “Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, (ii) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof, and all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, (iii) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, logos, domain names and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common law rights related thereto, (iv) all trade secrets arising under the laws of the United States, any other country or any political subdivision thereof, (v) all rights to obtain any reissues, renewals or extensions of the foregoing, (vi) all licenses for any of the foregoing, and (vii) all causes of action for infringement of the foregoing.

(c) “Majority in Interest” means, at any time of determination, the majority in interest (based on then-outstanding principal amounts of Notes at the time of such determination) of the Secured Parties.

(d) “Necessary Endorsement” means undated stock powers endorsed in blank or other proper instruments of assignment duly executed and such other instruments or documents as the Agent (as that term is defined below) may reasonably request.

(e) “Obligations” means all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due, or that are now or may be hereafter contracted or acquired, or owing to, of Debtor to the Secured Parties, in each case arising under this Agreement, the Notes, the Securities Purchase Agreement, or any other agreements or instruments executed by Debtor in connection therewith, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from any of the Secured Parties as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term “Obligations” shall include, without limitation: (i) principal of, and interest on the Notes and the loans extended pursuant thereto; (ii) any and all other fees, indemnities, costs, obligations and liabilities of Debtor from time to time under or in connection with this Agreement, the Notes, the Securities Purchase Agreement, or any other agreements or instruments executed by Debtor in connection therewith; (iii) enforcement costs and attorney’s fees and expenses payable pursuant to the terms of the foregoing; and (iv) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving Debtor.

(f) “Organizational Documents” means with respect to Debtor, the documents by which Debtor was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of Debtor (such as bylaws, a partnership agreement or an operating, limited liability or members agreement).

(g) Reserved.

(h) “Pledged Interests” shall have the meaning ascribed to such term in Section 4(j).

(i) “Pledged Securities” shall have the meaning ascribed to such term in Section 4(i).

(j) “UCC” means the Uniform Commercial Code of the State of New York and/or any other applicable law of any state or states which has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that defined terms in the UCC should be construed in their broadest sense so that the term “Collateral” will be construed in its broadest sense. Accordingly if there are, from time to time, changes to defined terms in the UCC that broaden the definitions, they are incorporated herein and if existing definitions in the UCC are broader than the amended definitions, the existing ones shall be controlling.

2. **Grant of Security Interest in Collateral**. To secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, Debtor hereby unconditionally and irrevocably pledges, grants and hypothecates to the Agent for the benefit of the Secured Parties a security interest in and to, a lien upon and a right of set-off against all of its right, title and interest of whatsoever kind and nature in and to, the Collateral (a “Security Interest” and, collectively, the “Security Interests”).

3. **Delivery of Certain Collateral**. As soon as reasonably practical after the execution of this Agreement, Debtor shall deliver or cause to be delivered to the Agent (a) any and all certificates and other instruments representing or evidencing the Pledged Securities, and (b) any and all certificates and other instruments or documents representing any of the other Collateral which require or permit possession by the Agent to perfect its Security Interest therein (but excluding checks to be deposited in the ordinary course of business and any items that represent obligations or value not in excess of \$250,000 individually or \$500,000 in the aggregate), in each case, together with all Necessary Endorsements. Debtor is, contemporaneously with the execution hereof, delivering to Agent, or have previously delivered to Agent, a true and correct copy of each Organizational Document governing any of the Pledged Securities.

4. **Representations, Warranties, Covenants and Agreements of Debtor**. Except as disclosed in the SEC Reports or set forth under the corresponding section of the disclosure schedules delivered to the Secured Parties concurrently herewith (the “Disclosure Schedules”), which Disclosure Schedules shall be deemed a part hereof, Debtor represents and warrants to, and covenants and agrees with, the Secured Parties as follows:

(a) Debtor has the requisite corporate, partnership, limited liability company or other power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by Debtor of this Agreement and the filings contemplated therein have been duly authorized by all necessary action on the part of Debtor and no further action is required by Debtor. This Agreement has been duly executed by Debtor. This Agreement constitutes the legal, valid and binding obligation of Debtor, enforceable against Debtor in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to or affecting the rights and remedies of creditors and by general principles of equity.

(b) Debtor has no place of business or offices where its respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth in Schedule 2 (other than Collateral with a book or fair market value (whichever is less) not exceeding \$500,000 in any such location or \$1,000,000 in the aggregate for all such locations, Collateral in transit between locations or out for repair or refurbishment, or which consists of laptops or other equipment used by an employee of a Debtor in the ordinary course of business). Except as specifically set forth on Schedule 2, Debtor is the lessee or record owner of the real property where such Collateral is located, and there exist no mortgages or other liens on any such real property except for Permitted Liens (as defined in the Notes). Except as disclosed on Schedule 2, (other than Collateral with a value not exceeding \$1,000,000 in the aggregate and Collateral in transit between locations or out for repair or refurbishment), none of such Collateral is in the possession of any consignee, bailee, warehouseman, agent or processor.

(c) Except for Permitted Liens (as defined in the Notes) and except as set forth in Schedule 2, Debtor is the sole legal and beneficial owner of the Collateral (except for licenses granted by Debtor in the ordinary course of business and except for inventory and equipment that is provided to Debtor's customers in the ordinary course of business), free and clear of any liens, security interests, encumbrances, rights or claims, and is fully authorized through all corporate or limited liability company power, as applicable, to grant the Security Interests. Except as set forth in Schedule 2, there is not on file in any governmental or regulatory authority, agency or recording office an effective financing statement, security agreement, license or transfer or any notice of any of the foregoing (other than those that will be filed in favor of the Secured Parties pursuant to this Agreement) covering or affecting any of the Collateral. Except as set forth in Schedule 2, as long as this Agreement shall be in effect, Debtor shall not execute and shall not knowingly permit to be on file in any such office or agency any other financing statement or other document or instrument (except to the extent filed or recorded in favor of the Secured Parties pursuant to the terms of this Agreement or in connection with any Permitted Lien).

(d) No written claim has been received that any Collateral or Debtor's use of any Collateral violates the rights of any third party. There has been no adverse decision to Debtor's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to Debtor's right to keep and maintain such Collateral in full force and effect, and there is no proceeding involving said rights pending or, to the best knowledge of Debtor, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) Debtor shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule 2 (which shall be deemed to be updated from time to time pursuant to valid notice received by the Secured Parties of new locations in accordance with this subsection (e)) and may not relocate such books of account and records or tangible Collateral unless it delivers to the Secured Parties at least 10 days prior to such relocation (i) written notice of such relocation and the new location thereof and (ii) evidence that appropriate financing statements under the UCC and other necessary documents, if any, have been filed and recorded and other steps have been taken to perfect the Security Interests to create in favor of the Agent for the benefit of the Secured Parties a valid, perfected and continuing perfected first priority lien in the Collateral.

(f) This Agreement creates in favor of the Agent for the benefit of the Secured Parties a valid security interest in the Collateral, subject only to Permitted Liens (as defined in the Notes), securing the payment and performance of the Obligations. Upon making the filings described in the immediately following paragraph, all security interests created hereunder in any Collateral which may be perfected by filing Uniform Commercial Code financing statements shall have been duly perfected. Except for the filing of the Uniform Commercial Code financing statements referred to in the immediately following paragraph, the recordation of the Intellectual Property Security Agreement (as defined in Section 4(n) hereof) with respect to copyrights and copyright applications in the United States Copyright Office referred to in paragraph (m), the execution and delivery of the DACA with respect to the Deposit Account on or prior to the Closing Date and, with respect to each other deposit account of Debtor constituting Collateral, deposit account control agreements satisfying the requirements of Section 9-104(a)(2) of the UCC, and the delivery of the certificates and other instruments provided in Section 3, no action is necessary to create, perfect or protect the security interests created hereunder. Without limiting the generality of the foregoing, except for the filing of said financing statements, the recordation of said Intellectual Property Security Agreement and the execution and delivery of said DACA and deposit account control agreements, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation or perfection of the Security Interests created hereunder in the Collateral to the extent such Security Interests can be created and perfected by such actions or (iii) the enforcement of the rights of the Agent and the Secured Parties hereunder.

(g) Debtor hereby authorizes the Agent to file one or more financing statements under the UCC, with respect to the Security Interests, with the proper filing and recording agencies in any jurisdiction deemed proper by it.

(h) The execution, delivery and performance of this Agreement by Debtor does not (i) violate any of the provisions of any Organizational Documents of Debtor or any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to Debtor or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material agreement, credit facility, debt or other material instrument (evidencing Debtor's debt or otherwise) or other material understanding to which Debtor is a party or by which any property or asset of Debtor is bound or affected. If any, all required consents (including, without limitation, from shareholders or creditors of Debtor) necessary for Debtor to enter into and perform its obligations hereunder have been obtained.

(i) The share capital and other equity interests listed on Schedule 1 (the "Pledged Securities") represent all of the share capital and other equity interests of the direct Subsidiaries, and represent all share capital and other equity interests owned directly by Debtor. All of the Pledged Securities are duly authorized, validly issued, fully paid and nonassessable, and Debtor is the legal and beneficial owner of the Pledged Securities, free and clear of any lien, security interest or other encumbrance except for the security interests created by this Agreement and other Permitted Liens (as defined in the Notes).

(j) The ownership and other equity interests in partnerships and limited liability companies (if any) included in the Collateral (the "Pledged Interests") by their express terms do not provide that they are securities governed by Article 8 of the UCC and are not held in a securities account or by any financial intermediary.

(k) Except for Permitted Liens (as defined in the Notes), Debtor shall at all times maintain the liens and Security Interests provided for hereunder as valid and perfected first priority liens and security interests in the Collateral in favor of the Secured Parties until this Agreement and the Security Interest hereunder shall be terminated pursuant to Section 14 hereof. Debtor hereby agrees to defend the same against the claims of any and all persons and entities. Debtor shall safeguard and protect all Collateral for the account of the Secured Parties. At the request of the Agent, Debtor will sign and deliver to the Agent on behalf of the Secured Parties at any time or from time to time one or more financing statements pursuant to the UCC in form reasonably satisfactory to the Agent and will pay the cost of filing the same in all public offices wherever filing is, or is deemed by the Agent to be, necessary or desirable to effect the rights and obligations provided for herein. Without limiting the generality of the foregoing, Debtor shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interests hereunder (other than those fees and taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP), and Debtor shall obtain and furnish to the Agent from time to time, upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interests hereunder.

(l) Within 30 days after the date hereof (or such later date agreed to by the Agent), Debtor shall cause each insurance policy issued in connection herewith to provide, and the insurer issuing such policy to certify to the Agent, that (a) the Agent will be named as lender loss payee and additional insured under each such insurance policy; (b) if such insurance be proposed to be cancelled or materially changed for any reason whatsoever, such insurer will promptly notify the Agent and such cancellation or change shall not be effective as to the Agent for at least thirty (30) days after receipt by the Agent of such notice, unless the effect of such change is to extend or increase coverage under the policy; and (c) the Agent will have the right (but no obligation) at its election to remedy any default in the payment of premiums within ten (10) days of notice from the insurer of such default.

(m) Debtor shall, within ten (10) days of obtaining knowledge thereof, advise the Secured Parties promptly, in sufficient detail, of any material adverse change in the Collateral, taken as a whole, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral, taken as a whole, or on the Secured Parties' security interest, through the Agent, therein.

(n) Debtor shall promptly execute and deliver to the Agent such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Agent may from time to time reasonably request and may in its sole discretion deem necessary to perfect, protect or enforce the Secured Parties' security interest in the Collateral including, without limitation, if applicable and if requested by the Agent, the execution and delivery of a separate security agreement with respect to Debtor's Intellectual Property ("Intellectual Property Security Agreement") in which the Agent has been granted a security interest hereunder, substantially in a form reasonably acceptable to the Agent, which Intellectual Property Security Agreement, other than as stated therein, shall be subject to all of the terms and conditions hereof.

(o) Debtor shall permit the Agent and its representatives and agents to inspect the Collateral during normal business hours and upon 3 days prior notice, and to make copies of records pertaining to the Collateral as may be reasonably requested by the Agent from time to time; provided, that unless an Event of Default has occurred and is continuing, Debtor shall not be obligated to reimburse the Agent for more than one such inspection in any calendar year and inspection shall not occur more than once in any calendar year.

(p) Debtor shall take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any rights, claims, causes of action and accounts receivable in respect of the Collateral except as otherwise permitted in accordance with the terms of the Notes.

(q) All information heretofore, herein or hereafter supplied to the Secured Parties by or on behalf of Debtor with respect to the Collateral is accurate and complete in all material respects as of the date furnished.

(r) Except as permitted by the Transaction Documents, Debtor shall at all times preserve and keep in full force and effect their respective valid existence and good standing in its jurisdiction of organization and any rights and franchises material to its business.

(s) No Debtor will change its name, type of organization, jurisdiction of organization, organizational identification number (if it has one), legal or corporate structure, or identity, or add any new fictitious name unless it provides at least 10 days prior written notice to the Secured Parties of such change and, at the time of such written notification, Debtor provides any financing statements or fixture filings necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(t) Except in the ordinary course of business or as otherwise permitted by the Transaction Documents, no Debtor may consign any of its inventory or sell any of its inventory on bill and hold, sale or return, sale on approval, or other conditional terms of sale without the consent of the Agent which shall not be unreasonably withheld.

(u) No Debtor may relocate its chief executive office to a new location without providing 10 days prior written notification thereof to the Secured Parties and so long as, at the time of such written notification, Debtor provides any financing statements or fixture filings necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(v) Debtor was organized and remains organized solely under the laws of the state set forth next to Debtor's name on Schedule 3, which Schedule 3 sets forth Debtor's organizational identification number or, if Debtor does not have one, states that one does not exist.

(w) (i) The actual name of Debtor is the name set forth in Schedule 3; (ii) no Debtor has any trade names except as set forth on Schedule 3; (iii) no Debtor has used any name other than that stated in the preamble hereto or as set forth in Schedule 3 for the preceding five years; and (iv) no entity has merged into Debtor or been acquired by Debtor within the past five years except as set forth in Schedule 3.

(x) At any time and from time to time that any Collateral consists of instruments, certificated securities or other items that require or permit possession by the secured party to perfect the security interest created hereby, the applicable Debtor shall deliver such Collateral to the Agent.

(y) Debtor, in its capacity as issuer, hereby agrees, to comply with any and all orders and instructions of Agent regarding the Pledged Interests consistent with the terms of this Agreement without the further consent of Debtor as contemplated by Section 8-106 (or any successor section) of the UCC. Further, Debtor agrees that it shall not enter into a similar agreement (or one that would confer "control" within the meaning of Article 8 of the UCC) with any other person or entity.

(z) Debtor shall cause all tangible chattel paper constituting Collateral with a book or fair market value (whichever is lower) in excess of \$250,000 individually or \$1,000,000 in the aggregate to be delivered to the Agent, or, if such delivery is not possible, then to cause such tangible chattel paper to contain a legend noting that it is subject to the security interest created by this Agreement. To the extent that any Collateral consists of electronic chattel paper, the applicable Debtor shall cause the underlying chattel paper to be "marked" within the meaning of Section 9-105 of the UCC (or successor section thereto).

(aa) With respect to the Deposit Account, Debtor shall cause the DACA, in form and substance satisfactory to the Agent, to be entered into and delivered to the Agent for the benefit of the Secured Parties on or prior to the Closing Date. With respect to any other deposit account, securities account or investment property included as Collateral that can be perfected by "control" through an account control agreement, the applicable Debtor shall cause such an account control agreement, in form and substance in each case satisfactory to the Agent, to be entered into and delivered to the Agent for the benefit of the Secured Parties within 30 days of the Closing Date (with respect to deposit or securities accounts included in Collateral as of the Closing Date) or creation or acquisition thereof (with respect to deposit or securities accounts created or acquired after the Closing Date).

(bb) To the extent that any Collateral consists of letter-of-credit rights with a face amount in excess of \$250,000 for any single letter of credit or \$1,000,000 for all applicable letters of credit in the aggregate, the applicable Debtor shall cause the issuer of each underlying letter of credit with respect thereto to consent to an assignment of the proceeds thereof to the Secured Parties.

(cc) To the extent that any Collateral with a book or fair market value (whichever is less) in excess of \$250,000 with respect to any single third party and \$1,000,000 with respect to all third parties combined is in the possession of any third party, the applicable Debtor shall, at Agent's request, join with the Agent in notifying such third party of the Secured Parties' security interest in such Collateral and shall use its best efforts to obtain an acknowledgement and agreement from such third party with respect to the Collateral, in form and substance reasonably satisfactory to the Agent.

(dd) If Debtor shall at any time hold or acquire a commercial tort claim with an expected value in excess of \$1,000,000 individually or \$2,000,000 in the aggregate for all commercial tort claims, Debtor shall promptly notify the Secured Parties in a writing signed by Debtor of the particulars thereof and grant to the Secured Parties in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Agent.

(ee) Debtor shall vote the Pledged Securities to comply with the covenants and agreements set forth herein and in the Notes.

(ff) Debtor shall register the pledge of the applicable Pledged Securities on the books of Debtor. Debtor shall notify each issuer of Pledged Securities to register the pledge of the applicable Pledged Securities in the name of the Secured Parties on the books of such issuer.

(gg) In the event that, upon an occurrence and during the continuance of an Event of Default, Agent shall sell all or any of the Pledged Securities to another party or parties (herein called the “Transferee”) or shall purchase or retain all or any of the Pledged Securities, Debtor shall, to the extent applicable: (i) deliver to Agent or the Transferee, as the case may be, the articles of incorporation, bylaws, minute books, share certificate books, corporate seals, deeds, leases, indentures, agreements, evidences of indebtedness, books of account, financial records and all other Organizational Documents and records of Debtor and their direct and indirect subsidiaries; (ii) use its best efforts to obtain resignations of the persons then serving as officers and directors of Debtor and their direct and indirect subsidiaries, if so requested; and (iii) use its best efforts to obtain any approvals that are required by any governmental or regulatory body in order to permit the sale of the Pledged Securities to the Transferee or the purchase or retention of the Pledged Securities by Agent and allow the Transferee or Agent to continue the business of Debtor and their direct and indirect subsidiaries.

(hh) [Reserved.]

(ii) Without limiting the generality of the other obligations of Debtor hereunder, Debtor shall promptly (i) cause to be registered at the United States Copyright Office all of its material copyrights, (ii) cause the security interest contemplated hereby with respect to all Intellectual Property registered at the United States Copyright Office or United States Patent and Trademark Office to be duly recorded at the applicable office, and (iii) give the Agent notice whenever it acquires (whether absolutely or by license) or creates any additional material Intellectual Property.

(jj) Schedule 4 lists all of the registered patents, patent applications, registered trademarks, trademark applications, registered copyrights, and domain names owned by any of Debtor as of the date hereof. Schedule 4 lists all material licenses in favor of Debtor for the use of any patents, trademarks, copyrights and domain names as of the date hereof.

5. **Effect of Pledge on Certain Rights**. If any of the Collateral subject to this Agreement consists of nonvoting equity or ownership interests (regardless of class, designation, preference or rights) that may be converted into voting equity or ownership interests upon the occurrence of certain events (including, without limitation, upon the transfer of all or any of the other shares or assets of the issuer), it is agreed that the pledge of such equity or ownership interests pursuant to this Agreement or the enforcement of any of Agent’s rights hereunder shall not be deemed to be the type of event which would trigger such conversion rights notwithstanding any provisions in the Organizational Documents or agreements to which any Debtor is subject or to which any Debtor is party.

6. **Events of Default.** The following events shall be an “Event of Default” hereunder: (i) an “Event of Default” under the Notes, (ii) an “Event of Default” under the Securities Purchase Agreement or (iii) the failure of any Debtor to observe or perform its obligations under this Agreement for a period of thirty (30) days after Debtor’s receipt of a written notice from Secured Parties.

7. **Duty To Hold In Trust.**

(a) Upon the occurrence of any Event of Default, Debtor shall, upon receipt of any revenue, income, dividend, interest or other sums subject to the Security Interests, whether payable pursuant to the Notes or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Secured Parties and shall forthwith endorse and transfer any such sums or instruments, or both, to the Secured Parties, pro-rata in proportion to their respective then-currently outstanding principal amount of Notes for application to the satisfaction of the Obligations (and if any Note is not outstanding, pro-rata in proportion to the initial purchases of the remaining Notes).

(b) If a Debtor shall become entitled to receive or shall receive any securities or other property (including, without limitation, shares of Pledged Securities or instruments representing Pledged Securities acquired after the date hereof, or any options, warrants, rights or other similar property or certificates representing a dividend, or any distribution in connection with any recapitalization, reclassification or increase or reduction of capital, or issued in connection with any reorganization of Debtor or any of its direct or indirect subsidiaries) in respect of the Pledged Securities (whether as an addition to, in substitution of, or in exchange for, such Pledged Securities or otherwise), Debtor agrees to (i) accept the same as the agent of the Secured Parties; (ii) hold the same in trust on behalf of and for the benefit of the Secured Parties; and (iii) to deliver any and all certificates or instruments evidencing the same to Agent on or before the close of business on the fifth business day following the receipt thereof by Debtor, in the exact form received together with the Necessary Endorsements, to be held by Agent subject to the terms of this Agreement as Collateral.

8. **Rights and Remedies Upon Default.**

(a) Upon the occurrence of any Event of Default, the Secured Parties, acting through the Agent, shall have the right to exercise all of the remedies conferred hereunder and under the Notes, and the Secured Parties shall have all the rights and remedies of a secured party under the UCC. Without limitation, the Agent, for the benefit of the Secured Parties, shall have the following rights and powers:

(i) The Agent shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and Debtor shall assemble the Collateral and make it available to the Agent at places which the Agent shall reasonably select, whether at a Debtor’s premises or elsewhere, and make available to the Agent, without rent, all of Debtor’s respective premises and facilities for the purpose of the Agent taking possession of, removing or putting the Collateral in saleable or disposable form.

(ii) Upon notice to Debtor by Agent, all rights of Debtor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise and all rights of Debtor to receive the dividends and interest which it would otherwise be authorized to receive and retain, shall cease. Upon the giving of such notice, Agent shall have the right to receive, for the benefit of the Secured Parties, any interest, cash dividends or other payments on the Collateral and, at the option of Agent, to exercise in such Agent's discretion all voting rights pertaining thereto. Without limiting the generality of the foregoing, Agent shall have the right (but not the obligation) to exercise all rights with respect to the Collateral as it were the sole and absolute owner thereof, including, without limitation, to vote and/or to exchange, at its sole discretion, any or all of the Collateral in connection with a merger, reorganization, consolidation, recapitalization or other readjustment concerning or involving the Collateral or Debtor or any of its direct or indirect subsidiaries.

(iii) The Agent shall have the right to operate the business of Debtor using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as the Agent may deem commercially reasonable, all without (except as shall be required by applicable statute and cannot be waived) advertisement or demand upon or notice to any Debtor or right of redemption of a Debtor, which are hereby expressly waived. Upon each such sale, lease, assignment or other transfer of Collateral, the Agent, for the benefit of the Secured Parties, may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of any Debtor, which are hereby waived and released.

(iv) The Agent shall have the right (but not the obligation) to notify any account debtor and any obligors under instruments or accounts to make payments directly to the Agent, on behalf of the Secured Parties, and to enforce any Debtor's rights against such account debtor and obligors.

(v) The Agent, for the benefit of the Secured Parties, may (but is not obligated to) direct any financial intermediary or any other person or entity holding any investment property to transfer the same to the Agent, on behalf of the Secured Parties, or its designee.

(vi) The Agent may (but is not obligated to) transfer any or all Intellectual Property registered in the name of a Debtor at the United States Patent and Trademark Office and/or Copyright Office into the name of the Secured Parties or any designee or any purchaser of any Collateral.

(b) The Agent shall comply with any applicable law in connection with a disposition of Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Agent may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Agent sells any of the Collateral on credit, Debtor will only be credited with payments actually made by the purchaser. In addition, Debtor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Agent's rights and remedies hereunder, including, without limitation, its right following the occurrence and during the continuance of an Event of Default to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

(c) For the purpose of enabling the Agent to further exercise rights and remedies under this Section 8 or elsewhere provided by agreement or applicable law, Debtor hereby grants to the Agent, for the benefit of the Agent and the Secured Parties, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to Debtor) to use, license or sublicense following the occurrence of an Event of Default, any Intellectual Property now owned or hereafter acquired by Debtor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

9. **Applications of Proceeds**. The proceeds of any such sale, lease or other disposition of the Collateral hereunder or from payments made on account of any insurance policy insuring any portion of the Collateral shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable attorneys' fees and expenses incurred by the Agent in enforcing the Secured Parties' rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations pro rata among the Secured Parties (based on then-outstanding principal amounts of Notes at the time of any such determination), and to the payment of any other amounts required by applicable law, after which the Secured Parties shall pay to the applicable Debtor any surplus proceeds. If, upon the sale, license or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Parties are legally entitled, Debtor will be liable for the deficiency together with the reasonable fees of any attorneys employed by the Secured Parties to collect such deficiency. To the extent permitted by applicable law, Debtor waives all claims, damages and demands against the Secured Parties arising out of the repossession, removal, retention or sale of the Collateral, unless due solely to the gross negligence or willful misconduct of the Secured Parties as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction.

10. **Securities Law Provision**. Debtor recognizes that Agent may be limited in its ability to effect a sale to the public of all or part of the Pledged Securities by reason of certain prohibitions in the Securities Act of 1933, as amended, or other federal or state securities laws (collectively, the "**Securities Laws**"), and may be compelled to resort to one or more sales to a restricted group of purchasers who may be required to agree to acquire the Pledged Securities for their own account, for investment and not with a view to the distribution or resale thereof. Debtor agrees that sales so made may be at prices and on terms less favorable than if the Pledged Securities were sold to the public, and that Agent has no obligation to delay the sale of any Pledged Securities for the period of time necessary to register the Pledged Securities for sale to the public under the Securities Laws. Debtor shall cooperate with Agent in its attempt to satisfy any requirements under the Securities Laws (including, without limitation, registration thereunder if requested by Agent) applicable to the sale of the Pledged Securities by Agent.

11. **Costs and Expenses.** Debtor agrees to pay all reasonable and documented out-of-pocket fees, costs and expenses incurred in connection with any filing required hereunder, including without limitation, any financing statements pursuant to the UCC, continuation statements, partial releases and/or termination statements related thereto or any expenses of any searches reasonably required by the Agent. The Debtor shall also pay all other claims and charges which in the reasonable opinion of the Agent is reasonably likely to prejudice, imperil or otherwise affect the Collateral or the Security Interests therein. The Debtor will also, upon demand, pay to the Agent the amount of any and all reasonable and documented expenses, including the reasonable and documented fees and expenses of its counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, may incur in connection with the creation, perfection, protection, satisfaction, foreclosure, collection or enforcement of the Security Interest and the preparation, administration, continuance, amendment or enforcement of this Agreement and pay to the Agent the amount of any and all reasonable and documented expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, and the Secured Parties may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Parties under the Notes. Until so paid, any fees payable hereunder shall be added to the principal amount of the Notes and shall bear interest at the Applicable Rate.

12. **Responsibility for Collateral.** The Debtor assumes all liabilities and responsibility in connection with all Collateral, and the Obligations shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason. Without limiting the generality of the foregoing, (a) neither the Agent nor any Secured Party (i) has any duty (either before or after an Event of Default) to collect any amounts in respect of the Collateral or to preserve any rights relating to the Collateral, or (ii) has any obligation to clean-up or otherwise prepare the Collateral for sale, and (b) Debtor shall remain obligated and liable under each contract or agreement included in the Collateral to be observed or performed by Debtor thereunder. Neither the Agent nor any Secured Party shall have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Agent or any Secured Party of any payment relating to any of the Collateral, nor shall the Agent or any Secured Party be obligated in any manner to perform any of the obligations of any Debtor under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by the Agent or any Secured Party in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Agent or to which the Agent or any Secured Party may be entitled at any time or times.

13. **Security Interests Absolute.** All rights of the Secured Parties and all obligations of Debtor hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Notes or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Notes or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guarantee, or any other security, for all or any of the Obligations; (d) any action by the Secured Parties to obtain, adjust, settle and cancel in its sole discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to a Debtor, or a discharge of all or any part of the Security Interests granted hereby. Until the Obligations shall have been paid in full in cash, converted or otherwise satisfied in full in accordance with the Notes (other than inchoate reimbursement obligations for which no demand has been made), the rights of the Secured Parties shall continue even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations or bankruptcy. Debtor expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance. In the event that at any time any transfer of any Collateral or any payment received by the Secured Parties hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Parties, then, in any such event, Debtor's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. Debtor waives all right to require the Secured Parties to proceed against any other person or entity or to apply any Collateral which the Secured Parties may hold at any time, or to marshal assets, or to pursue any other remedy. Debtor waives any defense arising by reason of the application of the statute of limitations to any obligation secured hereby.

14. **Term of Agreement; Termination and Release.** This Agreement and the Security Interests shall terminate on the date on which all amounts owing under the Notes and all other Obligations have been paid in full in cash, converted or otherwise satisfied in full in accordance with the Notes and this Agreement (other than inchoate reimbursement obligations for which no demand has been made); provided, however, that all indemnities of Debtor contained in this Agreement shall survive and remain operative and in full force and effect regardless of the termination of this Agreement. Upon the effectiveness of any written consent executed by the Agent releasing the security interest granted hereby in any Collateral pursuant to this Agreement or the Notes, the security interest in such Collateral shall be automatically released.

15. Power of Attorney; Further Assurances.

(a) Debtor authorizes the Agent, and does hereby make, constitute and appoint the Agent and its officers, agents, successors or assigns with full power of substitution, as Debtor's true and lawful attorney-in-fact, with power, in the name of the Agent or Debtor, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any note, checks, drafts, money orders or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Agent; (ii) to sign and endorse any financing statement pursuant to the UCC or any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to transfer any Intellectual Property or provide licenses respecting any Intellectual Property; and (vi) generally, at the option of the Agent, and at the expense of Debtor, at any time, or from time to time, to execute and deliver any and all documents and instruments and to do all acts and things which the Agent deems necessary to protect, preserve and realize upon the Collateral and the Security Interests granted therein in order to effect the intent of this Agreement and the Notes all as fully and effectually as Debtor might or could do; and Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for until the Obligations shall have been paid in full in cash (other than inchoate reimbursement obligations for which no demand has been made). The designation set forth herein shall be deemed to amend and supersede any inconsistent provision in the Organizational Documents or other documents or agreements to which a Debtor is subject or to which a Debtor is a party. Without limiting the generality of the foregoing, after the occurrence and during the continuance of an Event of Default, each Secured Party is specifically authorized to execute and file any applications for or instruments of transfer and assignment of any patents, trademarks, copyrights or other Intellectual Property with the United States Patent and Trademark Office and the United States Copyright Office.

(b) On a continuing basis, Debtor will make, execute, acknowledge, deliver, file and record, as the case may be, with the proper filing and recording agencies in any jurisdiction, including, without limitation, the jurisdictions indicated on Schedule 2, all such instruments, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Agent, to perfect the Security Interests granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Agent the grant or perfection of a perfected security interest in all the Collateral under the UCC.

(c) Debtor hereby irrevocably appoints the Agent as Debtor's attorney-in-fact, with full authority in the place and instead of Debtor and in the name of Debtor, from time to time in the Agent's discretion, to take any action and to execute any instrument which the Agent may deem necessary or advisable to perfect the security interests granted pursuant to this Agreement, including the filing, in its sole discretion, of one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Debtor where permitted by law, which financing statements may (but need not) describe the Collateral as "all assets" or "all personal property" or words of like import, and ratifies all such actions taken by the Agent. This power of attorney is coupled with an interest and shall be irrevocable until the Obligations shall have been paid in full in cash (other than inchoate reimbursement obligations for which no demand has been made).

16. **Notices.** All notices, requests, demands and other communications hereunder shall be subject to the notice provision of the Securities Purchase Agreement, as applicable.

17. **Other Security.** To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation or other entity, then the Agent shall have the right, in its sole discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of the Secured Parties' rights and remedies hereunder.

18. **Appointment of Agent.** Pursuant to Section 4.11 of the Securities Purchase Agreement, the Secured Parties have appointed the Agent to act as their collateral agent for purposes of exercising any and all rights and remedies of the Secured Parties hereunder.

19. **Miscellaneous.**

(a) No course of dealing between Debtor and the Secured Parties, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Parties, any right, power or privilege hereunder or under the Notes shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Secured Parties with respect to the Collateral, whether established hereby or by the Notes or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement, together with the exhibits and schedules hereto, 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 this Agreement and the exhibits and schedules hereto. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by Debtor and the Secured Parties holding 50.1% or more of the principal amount of Notes then outstanding, or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

(d) 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.

(e) 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.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Debtor may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Agent (other than by merger). Any Secured Party may assign any or all of its rights under this Agreement to any Person to whom such Secured Party assigns or transfers any Obligations, provided such transferee agrees in writing to be bound, with respect to the transferred Obligations, by the provisions of this Agreement that apply to the "Secured Parties."

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement 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 conflicts of law thereof. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and the Notes (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York, Borough of Manhattan. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such 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 manner permitted by 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 AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(i) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by .pdf via email transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such .pdf via email signature were the original thereof.

(j) [Reserved].

(k) Debtor shall indemnify, reimburse and hold harmless the Agent and the Secured Parties and their respective partners, members, shareholders, officers, directors, 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 this Agreement or the Collateral, except any such losses, claims, liabilities, damages, penalties, suits, costs and expenses which result from the gross negligence or willful misconduct of the Indemnitee as determined by a final, nonappealable decision of a court of competent jurisdiction. This indemnification provision is in addition to, and not in limitation of, any other indemnification provision in the Notes, the Securities Purchase Agreement, or any other agreement, instrument or other document executed or delivered in connection herewith or therewith.

(l) Nothing in this Agreement shall be construed to subject Agent or any Secured Party to liability as a partner in any Debtor or any of its direct or indirect subsidiaries that is a partnership or as a member in any Debtor or any of its direct or indirect subsidiaries that is a limited liability company, nor shall Agent or any Secured Party be deemed to have assumed any obligations under any partnership agreement or limited liability company agreement, as applicable, of any Debtor or any of its direct or indirect subsidiaries or otherwise, unless and until any such Secured Party exercises its right to be substituted for any Debtor as a partner or member, as applicable, pursuant hereto.

(m) To the extent that the grant of the security interest in the Collateral and the enforcement of the terms hereof require the consent, approval or action of any partner or member, as applicable, of any Debtor or any direct or indirect subsidiary of any Debtor or compliance with any provisions of any of the Organizational Documents, any Debtor hereby grants such consent and approval and waive any such noncompliance with the terms of said documents.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

FINGERMOTION, INC.

By: _____
Name: Jolie Kahn
Title: Chief Executive Officer

Signature Page to Security Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

ALTO OPPORTUNITY MASTER FUND, SPC
SEGREGATED MASTER PORTFOLIO B

By: _____
Name: Waqas Khatri
Title: Managing Member

Signature Page to Security Agreement

SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of August 12, 2026.

BETWEEN

ALSET AI VENTURES INC., a corporation existing under the laws of British Columbia (the "Shareholder" or "Alset")

-AND-

FINGERMOTION, INC., a corporation existing under the laws of the State of Delaware (the "Purchaser" or "FingerMotion");

-AND-

LYKEN AI COMPUTING INC., a corporation existing under the laws of British Columbia, incorporation number BC1429821 (the "Company" or "Lyken")

WHEREAS:

- A. Alset is the sole registered and beneficial owner of all 1,000,000 issued and outstanding common shares without par value in the capital of the Company, representing 100% of the issued and outstanding shares of the Company, as set out in Schedule "A";
- B. Alset wishes to sell, transfer and assign, and FingerMotion wishes to purchase, 99,000 common shares of the Company, representing 9.9% of the 1,000,000 common shares issued and outstanding immediately before the Closing, on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and of the covenants, agreements, representations and warranties set out below, the Parties covenant and agree as follows:

1. Interpretation

1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith or unless otherwise specifically provided:

- (a) "**Affiliate**" means any Person that directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, "control" means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise;
- (b) "**Agreement**" means this Agreement, including its recitals and schedules, as amended and supplemented;
- (c) "**Applicable Law**" or "**Law**" in respect of any Person, property, transaction or event, means all laws, statutes, treaties, regulations, and enforceable judgments, orders and decrees, applicable to that Person, property, transaction or event and, in each case

having the force of law, all applicable official directives, rules, protocols, consents, approvals, authorizations, and orders of any Governmental Body having or purporting to have authority over that Person, property, transaction or event;

- (d) **"Business Day"** means any day other than a Saturday, Sunday or any statutory holiday in Vancouver, British Columbia;
- (e) **"Charter Documents"** means articles, articles of incorporation, notice of articles, memoranda, bylaws, limited partnership agreements or any other constating document of an entity;
- (f) **"Closing"** means the completion of the Transaction in accordance with section 8;
- (g) **"Closing Date"** means August 12, 2026,;
- (h) **"Closing Time"** means the time set out in subsection 8.1 on the Closing Date;
- (i) **"Confidential Information"** means, in relation to a Party:
 - (i) all information, in whatever form communicated or maintained, that such Party discloses to, or that is gathered for inspection by another Party or any of its Representatives in the course of its review of the Transaction, whether provided before or after the date of this Agreement, that contains or otherwise reflects information concerning the disclosing Party or its businesses, affairs, financial condition, assets, liabilities, operations, prospects or activities;
 - (ii) all plans, proposals, reports, analyses, notes, studies, forecasts, compilations or other information, in any form, that are based on, contain or reflect any Confidential Information regardless of the identity of the Person preparing the same ("**Notes**"); and
 - (iii) any matter relating to this Agreement or its terms;but does not include any information that:
 - (iv) is at the time of disclosure to the recipient Party or thereafter becomes generally available to the public, other than as a result of a disclosure by the recipient Party or any of its Representatives in breach of this Agreement;
 - (v) is or was received by the recipient Party on a non-confidential basis from a source other than the disclosing Party or its Representatives if, to the knowledge of the recipient Party, such source is not prohibited from disclosing the information to the recipient Party by a contractual, fiduciary or other legal confidentiality obligation to, the disclosing Party; or
 - (vi) was known by the recipient Party prior to disclosure in connection with the Transaction and was not subject to any contractual, fiduciary or other legal confidentiality obligation on the part of the recipient Party.
- (j) **"NASDAQ"** means the Nasdaq Stock Market;
- (k) **"Encumbrance"** means pledges, liens, charges, security interests, title defects, options or adverse claims or encumbrances of any kind or character whatsoever

whether or not registered or registrable or recorded or recordable, and regardless of how created or arising.

- (l) **"Governmental Body"** means any national, provincial, state, regional, municipal or local government, governmental department, commission, board, bureau, agency, authority or instrumentality, or any Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, including all tribunals, commissions, boards, bureaux, arbitrators and arbitration panels, securities regulatory authorities, the TSXV, NASDAQ or stock exchanges and any authority or other Person controlled by any of the foregoing;
- (m) **"Hold Period"** means the period beginning on and including the Closing Date and ending at 11:59 p.m. (New York time) on the date that is six months after the Closing Date;
- (n) **"including"** means including, without limitation, or including, but not limited to, and does not create or denote a limitation;
- (o) **"FingerMotion Shares"** means the number of whole shares of common stock of FingerMotion determined by dividing US\$500,000 by the sum of (i) the Reference Price and (ii) US\$0.01, with any fractional share rounded down to the nearest whole share;
- (p) **"Exempt Transaction"** means a transaction intended by the Parties to be completed in reliance on an exemption from any TSXV approval requirements under applicable TSXV rules and policies;
- (q) **"Parties"** means the parties to this Agreement and **"Party"** means any one of them;
- (r) **"Person"** means an individual, legal personal representative, corporation, body corporate, firm, partnership (whether general or limited), trust, trustee, syndicate, joint venture, unincorporated organization or Governmental Body;
- (s) **"Proceeding"** means any action, claim, demand, lawsuit, assessment, arbitration, judgment, award, decree, order, injunction, prosecution or investigation, or other similar proceeding;
- (t) **"Purchase Price"** means the FingerMotion Shares;
- (u) **"Purchased Shares"** means 99,000 common shares without par value in the capital of the Company, representing exactly 9.9% of the 1,000,000 common shares issued and outstanding immediately before the Closing, all of which are registered in the name of and beneficially owned by Alset immediately before the Closing, which 9.9% shall remain the ownership percentage for six months subsequent to Closing;
- (v) **"Reference Price"** means the Nasdaq Official Closing Price of one share of FingerMotion common stock on the trading day immediately preceding the Closing Date, as published by Nasdaq; if no such price is published for that trading day, the Reference Price shall be the Nasdaq Official Closing Price for the most recent preceding trading day for which such a price was published, in each case subject to proportionate adjustment for any share split, consolidation, stock dividend, reclassification or similar event occurring after that trading day and before the Closing;

- (w) **"Regulatory Approvals"** means such approvals and acceptances of Governmental Bodies as may be necessary for the Transaction, including any approval, acceptance or non-objection of the TSXV if required under applicable TSXV rules and policies;
- (x) **"Representatives"** means each director, officer, employee, agent, solicitor, accountant, professional advisor and other representative of a Party; and
- (y) **"Shareholder Approval"** means any approval of Alset's shareholders required under Applicable Law, if any;
- (z) **"Shareholder"** means Alset AI Ventures Inc.;
- (aa) **"TSXV"** means the TSX Venture Exchange;
- (bb) **"U.S. Securities Act"** means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder; and
- (cc) **"Transaction"** means the sale and purchase of the Purchased Shares, as described in this Agreement.

1.2 Gender, Number and Other Terms

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing gender include all genders, "or" is not exclusive and "including" is not limiting, whether or not non-limiting language (such as "without limitation") is used with reference thereto.

1.3 Headings

The inclusion of headings in this Agreement is for convenience only and shall not affect the construction or interpretation of this Agreement.

1.4 Statutes

Unless otherwise stated, any reference to a statute includes and is a reference to such statute and to the regulations made pursuant to it, with all amendments thereto and in force from time to time, and to any statute or regulations that may be passed which supplement or supersede such statute or such regulations.

1.5 Currency

Except where otherwise expressly provided, all monetary amounts in this Agreement, including amounts denoted by "\$", are stated in United States dollars. Any amount expressly identified as "C\$" or "CAD" is stated in Canadian dollars.

1.6 Governing Law

This Agreement shall be governed by and construed in accordance with the internal laws of the Province of Ontario and the federal laws of Canada applicable therein without reference to conflicts of law rules. Each Party irrevocably submits to the exclusive jurisdiction of the courts of the Province of Ontario for the purpose of any suit, action or proceeding arising out of or relating to this Agreement, and irrevocably waives any objection it may have to the venue of any such suit, action or proceeding in such courts or that such suit, action or proceeding was brought in an inconvenient forum.

1.7 Schedules

The following are the Schedules which are attached to and form part of this Agreement:

Schedule A	-	Shareholder and Purchased Shares
Schedule B	-	Purchaser
Schedule C	-	Representations and Warranties of Alset
Schedule D	-	Representations and Warranties of FingerMotion
Schedule E	-	Representations and Warranties of the Company

1.8 Cross-References

Unless otherwise stated, a reference in this Agreement to a designated article, section, subsection, paragraph or other subdivision or to a schedule is to the designated article, section, subsection, paragraph or other subdivision of, or schedule to, this Agreement.

1.9 References to Whole Agreement

Unless otherwise stated, the words "herein", "hereof", "hereby" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subsection, paragraph or other subdivision or schedule.

2. Purchase and Sale

2.1 Purchase and Sale

Subject to the terms and conditions set forth in this Agreement, on the Closing Date:

- (a) Alset shall sell, assign and transfer to FingerMotion, and FingerMotion shall purchase from Alset, all of Alset's right, title and interest in and to the Purchased Shares, free and clear of all Encumbrances;
- (b) FingerMotion shall issue and deliver to Alset, in respect of its purchase of the Purchased Shares, the Purchase Price; and
- (c) Alset shall deliver the Purchased Shares in duly transferable form, registered as directed by FingerMotion. The transfer of the Purchased Shares shall be executed by way of applicable transfer instruments at the Closing.

2.2 Purchase Price

The Purchase Price shall be the FingerMotion Shares, issuable by FingerMotion to Alset on the Closing Date in book-entry and restricted form through FingerMotion's transfer agent. No cash consideration is payable. No later than 5:00 p.m. (New York time) on the Closing Date, FingerMotion shall deliver to Alset a written calculation showing the Reference Price and the resulting number of FingerMotion Shares. The calculation shall be determined strictly in accordance with the definitions of "Reference Price" and "FingerMotion Shares" and the absence or delay of that calculation notice shall not change the Purchase Price. At the Closing, FingerMotion shall deliver evidence reasonably satisfactory to Alset that the FingerMotion Shares have been ordered to be duly issued and registered in Alset's name, subject only to the Hold Period and restrictions imposed by Applicable Law.

2.3 Six-Month Hold and Resale Cooperation

- (a) **Transfer Restriction.** During the Hold Period, Alset shall not, directly or indirectly, offer, sell, contract to sell, pledge, lend, transfer or otherwise dispose of any FingerMotion Shares, or enter into any transaction having a similar economic effect, without FingerMotion's prior written consent. Alset may transfer FingerMotion Shares during the Hold Period to a wholly owned Affiliate if that Affiliate first agrees in writing to be bound by this subsection and Alset remains liable for compliance with it.
- (b) **Legends and Stop-Transfer Instructions.** During the Hold Period, the FingerMotion Shares may bear a restrictive legend or book-entry notation, and FingerMotion may maintain stop-transfer instructions, reflecting the contractual restriction in this section and any restrictions required by Applicable Law. The Hold Period is a contractual restriction agreed by the Parties; it does not replace, shorten or override any separate resale restriction imposed by Applicable Law, and its expiry does not by itself establish that the FingerMotion Shares are freely tradeable.
- (c) **Resale Cooperation.** FingerMotion shall use commercially reasonable efforts to remain current in its reporting obligations under the United States Securities Exchange Act of 1934 during the Hold Period. Promptly after expiry of the Hold Period, FingerMotion shall, at its own transfer-agent cost, instruct its transfer agent to remove any contractual stop-transfer instruction imposed solely under this section and reasonably cooperate with Alset in connection with any lawful resale or removal of a securities-law legend under Rule 144 or another available exemption, subject to Applicable Law and Alset providing customary representations and any legal opinion reasonably required by FingerMotion or its transfer agent. Nothing in this Agreement requires FingerMotion to register the FingerMotion Shares under the U.S. Securities Act.

2.4 TSXV Compliance

- (a) The Parties intend that the Transaction be completed as an Exempt Transaction under applicable TSXV rules and policies. Each Party shall use commercially reasonable efforts to structure, document and complete the Transaction in a manner that is eligible for such exempt treatment, provided that nothing in this Agreement shall require any Party to complete the Transaction in contravention of Applicable Law or TSXV requirements.
- (b) If the TSXV determines that any approval, acceptance, filing, notice or other submission is required in connection with the Transaction, the Parties shall cooperate in good faith to obtain such approval or acceptance or make such filing, notice or submission as promptly as practicable. The obligation to complete the Transaction shall remain subject to receipt of any required TSXV approval or acceptance and completion of any required TSXV filings.

3. Representations and Warranties of Alset

The representations and warranties of Alset are set out in Schedule C attached hereto.

4. Representations and Warranties of FingerMotion

The representations and warranties of FingerMotion are set out in Schedule D attached hereto.

5. Representations and Warranties of the Company

The representations and warranties of the Company are set out in Schedule E attached hereto.

6. Pre-closing Matters

6.1 Shareholder's Covenants

Except as otherwise provided in this Agreement or as otherwise agreed in writing by FingerMotion, Alset shall, from the date of this Agreement up to the Closing:

- (a) take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the representations and warranties of Alset in this Agreement are true and correct in all material respects at the Closing and that the conditions of FingerMotion in subsection 7.1 required to be fulfilled by Alset by the Closing are fulfilled at the Closing;
- (b) as soon as practicable, make or cause to be made all filings, notices or requests for approval, if any, required to be given or made by Alset to any Governmental Body, including the TSXV, in connection with the consummation of the Transaction by Alset under this Agreement;
- (c) send all notices required to be sent by Alset, if any, and use its commercially reasonable efforts to obtain all consents, approvals, releases and waivers required to be obtained by Alset to complete the Transaction; and
- (d) Alset shall cooperate with FingerMotion and the Company to complete the Transaction as an Exempt Transaction under applicable TSXV rules and policies, including by providing information reasonably required for any TSXV filing or request for confirmation.

6.2 Purchaser Covenants

Except as otherwise provided in this Agreement or as otherwise agreed in writing by Alset, FingerMotion shall, from the date of this Agreement up to the Closing:

- (a) take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the representations and warranties of FingerMotion in this Agreement are true and correct in all material respects at the Closing and that the conditions of Alset in subsection 7.2 required to be fulfilled by FingerMotion by the Closing are fulfilled at the Closing;
 - (b) take all such actions as are reasonably within its control to support completion of the Transaction as an Exempt Transaction under applicable TSXV rules and policies;
 - (c) FingerMotion shall provide information reasonably required from FingerMotion for any TSXV filing, notice, request for approval or request for confirmation relating to the Transaction; and
 - (d) as soon as practicable, make all filings, notices or requests for approval, if any, required to be given or made by FingerMotion to any Governmental Body, including NASDAQ and the TSXV, in connection with the consummation of the Transaction by FingerMotion under this Agreement.
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6.3 Company Covenants

Except as otherwise provided in this Agreement or as otherwise agreed in writing by FingerMotion and Alset, the Company shall, from the date of this Agreement up to the Closing:

- (a) take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the representations and warranties of the Company in this Agreement are true and correct in all material respects at the Closing and that the conditions of FingerMotion in subsection 7.3 required to be fulfilled by the Company by the Closing are fulfilled at the Closing;
- (b) as soon as practicable, make all filings, notices or requests for approval, if any, required to be given or made by the Company to any Governmental Body, including the TSXV, in connection with the consummation of the Transaction by the Company under this Agreement;
- (c) the Company shall support Alset and FingerMotion in making any TSXV filings, notices or requests for approval or confirmation required in connection with the Transaction; and
- (d) not issue, sell, pledge, dispose of or otherwise transfer any shares or other securities of the Company, or enter into any agreement or commitment to do so, except as contemplated by this Agreement or with the prior written consent of FingerMotion and Alset. The Company shall ensure compliance by its directors, officers and agents.

7. Conditions of Closing

7.1 Conditions for the Benefit of the Purchaser

The obligation of FingerMotion to complete the Transaction is subject to the fulfilment of the following conditions:

- (a) **Representations and Warranties.** The representations and warranties of Alset and the Company contained in this Agreement (including the Schedules hereto) being true and correct in all material respects on and as of the Closing.
 - (b) **Covenants.** All of the covenants and obligations of Alset to be performed on or before the Closing pursuant to this Agreement having been performed in all material respects.
 - (c) **Delivery of Purchased Shares.** Alset shall have delivered the Purchased Shares in the manner provided for in this Agreement.
 - (d) **No Orders or Proceedings.** No injunction or restraining order or other decision, ruling or order of any Governmental Body being in effect which prohibits, restrains, limits or imposes conditions on, the Transaction and no action or proceeding having been instituted or remaining pending or having been threatened before any such Governmental Body to restrain, prohibit, limit or impose conditions on the Transaction.
 - (e) **Obtain Consents.** Alset having obtained all consents, approvals and waivers required for the consummation of the Transaction, and the same having been delivered to FingerMotion.
-

- (f) **Regulatory Approvals.** The receipt of the Regulatory Approvals, if any, including any approval, acceptance or non-objection required by the TSXV, and the completion of all TSXV filings, notices or submissions required in connection with the Transaction.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing, or in the event that any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of FingerMotion to comply with its obligations under this Agreement, then FingerMotion may, subject to applicable law, terminate this Agreement by written notice to Alset, in which event neither party shall have any further obligations under this Agreement except for those provisions that expressly survive termination.

7.2 Conditions for the Benefit of Alset

The obligation of Alset to complete the Transaction is subject to the fulfilment of each of the following conditions:

- (a) **Representations and Warranties.** The representations and warranties of FingerMotion contained in this Agreement (including the Schedules hereto) being true and correct in all material respects on and as of the Closing.
- (b) **Covenants.** All of the covenants and obligations of FingerMotion to be performed or observed on or before the Closing pursuant to this Agreement having been duly performed or observed in all material respects.
- (c) **Obtain Consents.** FingerMotion having obtained all consents, approvals and waivers required for the consummation of the Transaction, including any NASDAQ or TSXV approvals, acceptances, notices or filings required to be obtained or made by FingerMotion, and all Regulatory Approvals having been received.
- (d) **Delivery of Purchase Price.** FingerMotion shall have delivered the Purchase Price in the manner provided for in this Agreement.
- (e) **No Orders or Proceedings.** No injunction or restraining order or other decision, ruling or order of any Governmental Body being in effect which prohibits, restrains, limits or imposes conditions on, the Transaction and no action or proceeding having been instituted or remaining pending or having been threatened before any such Governmental Body to restrain, prohibit, limit or impose conditions on the Transaction.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing, or in the event that any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of Alset to comply with its obligations under this Agreement, then Alset may, subject to applicable law, terminate this Agreement by written notice to FingerMotion, in which event neither party shall have any further obligations under this Agreement except for those provisions that expressly survive termination.

7.3 Conditions for the Benefit of the Company

The obligation of the Company to complete the Transaction is subject to the fulfilment of each of the following conditions:

- (a) **Representations and Warranties.** The representations and warranties of Alset and FingerMotion contained in this Agreement (including the Schedules hereto) being true and correct in all material respects on and as of the Closing.

- (b) **Covenants.** All of the covenants and obligations of Alset and FingerMotion to be performed or observed on or before the Closing pursuant to this Agreement having been duly performed or observed in all material respects.
- (c) **Obtain Consents.** The Company having obtained all consents, approvals and waivers required for the consummation of the Transaction.
- (d) **No Orders or Proceedings.** No injunction or restraining order or other decision, ruling or order of any Governmental Body being in effect which prohibits, restrains, limits or imposes conditions on, the Transaction and no action or proceeding having been instituted or remaining pending or having been threatened before any such Governmental Body to restrain, prohibit, limit or impose conditions on the Transaction.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing, or in the event that any such condition is, or becomes, impossible to satisfy prior to the Closing Time, other than as a result of the failure of the Company to comply with its obligations under this Agreement, then the Company may, subject to applicable law, terminate this Agreement by written notice to FingerMotion, in which event neither party shall have any further obligations under this Agreement except for those provisions that expressly survive termination.

8. Closing Transactions

8.1 Time and Place

The Closing shall take place at 9:00 a.m. (Vancouver time), or such other time as the Parties may agree (the "**Closing Time**"), on the Closing Date virtually, subject to satisfaction or waiver of the conditions in this Agreement, including any required TSXV approval or acceptance and completion of required TSXV filings.

8.2 Alset Closing Documents

At the Closing, Alset shall deliver the following to FingerMotion:

- (a) a duly executed instrument of transfer for the Purchased Shares and any share certificate, written acknowledgement, surrender instruction or other document reasonably required by the Company to register the transfer;
- (b) evidence of Shareholder Approval, if required;
- (c) evidence of any TSXV approval, acceptance or non-objection and TSXV filings required to be delivered by Alset; and
- (d) all such other assurances, consents, agreements, documents and instruments as may be contemplated by this Agreement or as may be reasonably requested by FingerMotion to complete the Transaction.

8.3 FingerMotion Closing Documents

At the Closing, FingerMotion shall deliver the following to Alset:

- (a) the Purchase Price in the manner set out in Section 2.2;
- (b) evidence of issuance and delivery of the FingerMotion Shares comprising the Purchase Price;

- (c) evidence of any NASDAQ or TSXV approval, acceptance or non-objection and any filings required to be delivered by FingerMotion; and
- (d) all such other assurances, consents, agreements, documents and instruments as may be contemplated by this Agreement or as may be reasonably requested by Alset to complete the Transaction.

8.4 Company Closing Documents

At the Closing, the Company shall deliver the following to FingerMotion and Alset:

- (a) certified resolutions of the Company's director approving the transfer of the Purchased Shares to FingerMotion, the registration of that transfer and the issuance of the post-Closing written acknowledgements described below;
- (b) a certified copy of the Company's central securities register updated as of the Closing to show FingerMotion as the registered owner of 99,000 common shares and Alset as the registered owner of the remaining 901,000 common shares;
- (c) a non-transferable written acknowledgement evidencing FingerMotion's ownership of the Purchased Shares and a replacement or updated written acknowledgement evidencing Alset's ownership of the remaining 901,000 common shares;
- (d) all such other assurances, consents, agreements, documents and instruments as may be contemplated by this Agreement or as may be reasonably requested by FingerMotion to complete the Transaction.

8.5 Concurrent Delivery

It shall be a condition of the Closing that all matters of payment and the execution and delivery of documents by any Party to the others pursuant to the terms of this Agreement shall be concurrent requirements and that nothing will be complete at the Closing until everything required as a condition precedent to the Closing has been paid, executed and delivered, as the case may be.

8.6 Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Company, Alset and FingerMotion;
- (b) by written notice from FingerMotion to Alset as permitted in Section 7.1; or
- (c) by written notice from Alset to FingerMotion as permitted in Section 7.2.

9. Confidentiality, Public Disclosure

- (a) Each Party that receives Confidential Information, before or after the date of this Agreement, shall treat confidentially and not disclose, and shall cause each of its Representatives to treat confidentially and not disclose, other than as expressly contemplated by this Agreement, any Confidential Information of the disclosing Party.
- (b) A Party that receives Confidential Information, before or after the date of this Agreement, may disclose such Confidential Information only to those of its Representatives who need to know such Confidential Information for the purpose of

implementing the Transaction. No Party that receives Confidential Information, before or after the date of this Agreement, shall use, nor permit its Representatives to use, Confidential Information for any other purpose nor in any way that is, directly or indirectly, detrimental to the Party disclosing such confidential information.

- (c) No Party shall issue any press release or otherwise make public announcements with respect to this Agreement without the consent of the other Parties (which consent shall not be unreasonably withheld or delayed); provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under Applicable Laws or the rules or policies of the TSXV or NASDAQ, in which case the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing and to revise such press release or announcement to capture such other Party's reasonable comments, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. The foregoing provision shall not apply to a press release or other disclosure document issued by a Party which contains substantially only such information as is required for such Party to comply with its obligations under Section 5.2 (Early Warning) of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.

10. Miscellaneous

10.1 Survival

All representations and warranties made by Alset, FingerMotion and the Company shall survive the Closing for a period of twelve (12) months, after which liability with respect to those representations and warranties shall cease; provided that the representations and warranties concerning organization, capacity, authorization, binding effect, title to the Purchased Shares, capitalization of the Company and due issuance of the FingerMotion Shares (the "Fundamental Representations") shall survive the Closing for a period of twenty-four (24) months. No survival period limits liability for fraud or intentional misrepresentation.

10.2 Legal and Other Fees and Expenses

Except as provided in subsection 10.14, each Party shall pay its own legal, accounting and other professional fees and expenses incurred in connection with the negotiation and settlement of this Agreement and completion of the Transaction.

10.3 Notices

All notices, requests, demands or other communications required or permitted to be given by any Party to another pursuant to this Agreement shall be given in writing and delivered by personal service, pre-paid registered mail, facsimile or email, addressed as follows:

To Alset:

701 West Georgia Street, Suite 1420
Vancouver, British Columbia V7Y 1E4
Canada
Attention: Adam Ingrao

Email: the email address most recently designated in writing by Alset

To FingerMotion:

700 S Rosemary Ave
Suite 204
West Palm Beach, Florida 33401
Attention: Jolie Kahn

Email: the email address most recently designated in writing by FingerMotion

To the Company:
701 West Georgia Street, Suite 1420
Vancouver, British Columbia V7Y 1E4
Canada
Attention: Adam Ingrao

Email: the email address most recently designated in writing by the Company

subject to any notice of change of address or fax number given in accordance herewith. Any notice shall be deemed to have been given and received:

- (a) if personally delivered, then on the day of personal service to the recipient Party, provided that if such date is a day other than a Business Day such notice shall be deemed to have been given and received on the first Business Day following the date of personal service;
- (b) if by pre-paid registered mail, then the first Business Day, after the expiration of five days following the date of mailing; or
- (c) if sent by facsimile or email transmission and successfully transmitted prior to noon (Vancouver time) on a Business Day of the recipient Party, then on that Business Day, and if successfully transmitted after noon (Vancouver time) on a Business Day of a recipient Party then on the first Business Day following the date of transmission.

10.4 Further Assurances

Each of the Parties shall execute and deliver such further documents and do such further acts and things as may be reasonably required to carry out the terms of this Agreement.

10.5 Time of the Essence

Time shall be of the essence of this Agreement.

10.6 Brokers' Fees

Each Party acknowledges and agrees that it is not aware of any current or possible future claim for brokerage, agency, finder's fee or commission in connection with the Transaction and that if any such claim should arise through, or under, or by virtue of any action taken by, a Party, such Party shall indemnify and hold harmless the other in respect thereof.

10.7 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, undertakings, negotiations and discussions, whether oral or written, of the Parties and there are no warranties, representations, covenants, obligations or agreements between the Parties except as set forth in this Agreement or as expressly set out in a written document signed by each of the Parties.

10.8 Assignment

This Agreement shall not be assigned by any Party without the prior written consent of the other Parties, such consent not to be unreasonably withheld, conditioned or delayed; provided that a Party may assign this Agreement to a wholly owned Affiliate without consent if the Affiliate agrees in writing to be bound by this Agreement and the assigning Party remains liable for all obligations hereunder.

10.9 Invalidity

Each of the provisions contained in this Agreement is distinct and severable and a determination of illegality, invalidity or unenforceability of any such provision or part hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof, unless as a result of such determination this Agreement would fail in its essential purposes.

10.10 Waiver and Amendment

Except as expressly provided in this Agreement, no amendment or waiver of it will be binding unless made in writing by the Party to be bound by such amendment or waiver. No waiver of any provision, or any portion of any provision, of this Agreement will constitute a waiver of any other part of the provision or any other provision of this Agreement or a continuing waiver unless otherwise expressly provided.

10.11 Surviving Provisions on Termination

If this Agreement is terminated, section 9 and subsections 1.1, 10.2, 10.3, 10.6, 10.10, 10.11, 10.12 and 10.13, together with any rights arising from a breach occurring before termination, shall survive. The representations and warranties in Schedules C, D and E shall not survive termination, except in the case of fraud or intentional misrepresentation.

10.12 Enurement

This Agreement will enure to the benefit of and will be binding upon the Parties and their respective successors and permitted assigns.

10.13 Counterparts

This Agreement may be signed in counterparts and delivered by email and each such counterpart will constitute an original document and such counterparts, taken together, will constitute one and the same instrument.

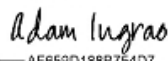
10.14 Post-Closing Transaction Expenses

Effective as of Closing, FingerMotion shall be responsible for reasonable transfer-agent fees and legal or regulatory filing fees directly attributable to the issuance of the FingerMotion Shares, maintenance and removal of the contractual hold notation, and registration of the transfer of the Purchased Shares. For certainty, FingerMotion does not assume the Company's ordinary-course operating expenses or any expense incurred by Alset or the Company before Closing unless FingerMotion expressly agrees in writing.

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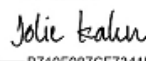
IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

ALSET AI VENTURES INC.

Signed by:

AF659D186B754D7...

Name: Adam Ingrao
Title: Chief Executive Officer

FINGERMOTION, INC.

Signed by:

B710F987CF7341B...

Name: Jolie Kahn
Title: Authorized Signatory

LYKEN AI COMPUTING INC.

Signed by:

AF659D186B754D7...

Name: Adam Ingrao
Title: Director

SCHEDULE A
SHAREHOLDER AND PURCHASED SHARES

Purchased Shares:

SHAREHOLDER	Purchased Shares to Transfer	Consideration
Alset AI Ventures Inc. 701 West Georgia Street, Suite 1420 Vancouver, British Columbia V7Y 1E4 Canada	99,000 common shares without par value (9.9% immediately before Closing). Alset retains 901,000 common shares (90.1%) after Closing.	FingerMotion Shares = US\$500,000 ÷ (Reference Price + US\$0.01), rounded down to the nearest whole share; subject to the six-month Hold Period.

SCHEDULE B
PURCHASER

Registration Details:

REGISTRATION DETAILS	Purchased Shares to be Transferred	Consideration to be Issued
FingerMotion, Inc. 700 S Rosemary Ave Suite 204 West Palm Beach, Florida 33401	99,000 common shares without par value, representing 9.9% of Lyken immediately before Closing.	FingerMotion Shares determined under the Purchase Price formula and issued in book-entry and restricted form to Alset.

SCHEDULE C

REPRESENTATIONS AND WARRANTIES OF ALSET

Alset represents and warrants to FingerMotion as follows and acknowledges that FingerMotion is relying on the following representations and warranties in entering into this Agreement and completing the Transaction:

- (a) **Organization.** Alset is validly incorporated, organized and subsisting in accordance with the laws of its jurisdiction of incorporation and has not taken any steps to dissolve or wind up.
- (b) **Capacity.** Alset has full power and capacity to enter into and perform its obligations under this Agreement and any other agreement to be entered into by it pursuant to this Agreement.
- (c) **Authorization.** All necessary corporate authorizations for the execution, delivery and performance of this Agreement and any other agreement to be entered into by Alset pursuant to this Agreement in accordance with their terms have been obtained or will be obtained prior to Closing, by Alset.
- (d) **Binding Agreement.** The Agreement has been (and, on Closing each other agreement to be entered into by Alset pursuant to this Agreement shall have been) duly and validly executed and delivered by Alset and each of this Agreement and each other agreement to be entered into by Alset pursuant to this Agreement is and shall be the valid and binding obligation of Alset, enforceable against Alset in accordance with its terms.
- (e) **Bankruptcy, Insolvency and Reorganization.** Alset is not insolvent within the meaning of Applicable Law and has not made an assignment for the benefit of creditors or a proposal in bankruptcy, initiated compromise, arrangement, winding-up, liquidation or dissolution proceedings, or had a receiver appointed in respect of it or its property or assets. No execution or distress has been levied upon its property or assets.
- (f) **Ownership of Purchased Securities.** Alset is the sole registered and beneficial owner of all 1,000,000 issued and outstanding common shares of the Company, including the Purchased Shares, free and clear of all Encumbrances. No agreement, option, warrant or other right is outstanding in favour of any Person to purchase or acquire any Purchased Shares from Alset. Except for transfer restrictions in the Company's Articles, the required director approval to be delivered at Closing, and restrictions imposed by Applicable Law, there is no restriction on the transfer of the Purchased Shares to FingerMotion. Alset has good and valid title and authority to deliver the Purchased Shares free and clear of all Encumbrances.
- (g) **No Adverse Implications.** Neither the execution and delivery of this Agreement or any other agreement to be entered into by Alset pursuant to this Agreement nor the completion and performance of the Transaction and obligations contemplated by or contained in this Agreement or such other agreements by Alset will:
 - (i) give any Person the right to terminate, cancel or amend any contractual or other right of Alset where such termination, cancellation or amendment would have an adverse effect on the Purchased Shares;

- (ii) result in the creation of any Encumbrance on the Purchased Shares;
 - (iii) be contrary to any of the provisions of the Charter Documents of Alset;
 - (iv) result in any pre-emptive or other third-party right to purchase any of the Purchased Shares or any of the rights of Alset in or to any of the Purchased Shares; or
 - (v) except for as otherwise required to be obtained pursuant to this Agreement in connection with the Transaction, including any TSXV approval, acceptance, notice or filing, require any consent, approval, authorization or permit of any Governmental Body or other Person, the failure of which to obtain would reasonably be expected to restrain, prohibit, limit or impose conditions on the Transaction or otherwise impede or delay the timely completion of the Transaction.
- (h) **Material Non-Public Information.** As at the date hereof, Alset does not have knowledge of a material fact or material change (as such terms are defined in the *Securities Act* (Ontario)) with respect to the Company that has not been generally disclosed (as such term is interpreted for purposes of its use in Canadian securities legislation), excluding any material fact or material change disclosed to Alset and FingerMotion or any Affiliate thereof (whether verbally or in writing) by the Company prior to the date hereof pursuant to exemptions under applicable securities laws.

- (i) **Offshore Issuance and Investment Intent.** Alset is not a “U.S. person” as defined in Rule 902(k) of Regulation S under the U.S. Securities Act, is acquiring the FingerMotion Shares for its own account in an offshore transaction and not with a view to a distribution in violation of Applicable Law, and has not engaged in directed selling efforts in the United States in connection with the FingerMotion Shares.
- (j) **Restricted Securities.** Alset understands that the FingerMotion Shares have not been registered under the U.S. Securities Act, will be subject to the Hold Period and may also be subject to restrictions under Applicable Law. Alset acknowledges that there is no assurance the FingerMotion Shares will be freely tradeable immediately upon expiry of the Hold Period.

SCHEDULE D REPRESENTATIONS AND WARRANTIES OF FINGERMOTION

FingerMotion represents and warrants to Alset as follows and acknowledges that Alset is relying on the following representations and warranties in connection with its entrance into the Agreement and the completion of the Transaction:

- (a) **Organization.** FingerMotion is validly incorporated, organized and subsisting in accordance with the laws of its jurisdiction of incorporation and its common stock is listed on NASDAQ.
- (b) **Capacity.** FingerMotion has full power and capacity to enter into and perform its obligations under this Agreement and any other agreement to be entered into by it pursuant to this Agreement.
- (c) **Authorization.** All necessary corporate or other authorizations for the execution, delivery and performance of this Agreement and any other agreement to be entered into by it pursuant to this Agreement in accordance with their terms have been obtained, or will be obtained prior to Closing, by FingerMotion.
- (d) **Binding Agreement.** This Agreement has been duly and validly executed and delivered by FingerMotion and is the valid and binding obligation of FingerMotion, enforceable against FingerMotion in accordance with its terms.
- (e) **Bankruptcy, Insolvency and Reorganization.** FingerMotion is not insolvent within the meaning of Applicable Law nor has it made an assignment in favour of its creditors nor a proposal in bankruptcy to its creditors or any class thereof nor had any petition for a receiving order presented in respect of it. FingerMotion has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of FingerMotion, nor any of its property or assets and no execution or distress has been levied upon any of its property or assets.
- (f) **No Adverse Implications.** Neither the execution and delivery of this Agreement nor the completion and performance of the Transaction and obligations contemplated by or contained in this Agreement by FingerMotion will:
 - (i) result in a breach or contravention of or default under Applicable Law, NASDAQ rules or TSXV rules and policies, which breach, contravention or default would prevent FingerMotion from entering into and performing its obligations under this Agreement;

- (ii) be contrary to any of the provisions of the Charter Documents of FingerMotion, if applicable; or
 - (iii) require any material consent, approval, authorization or permit of any Governmental Body or other Person, other than any TSXV or NASDAQ approval, acceptance, notice or filing contemplated by this Agreement.
 - (g) **Canadian Securities Laws.** FingerMotion represents and warrants that: (i) it is an “accredited investor” within the meaning of National Instrument 45-106 - Prospectus Exemptions; (ii) it is acquiring the Purchased Shares for investment purposes and not with a view to resale or distribution in violation of Applicable Law; (iii) it will comply with all applicable Canadian federal and provincial securities laws in connection with the Transaction, including all applicable resale restrictions and hold periods imposed by Applicable Law; (iv) it has been advised to consult, and has consulted, its own legal advisors with respect to the execution, delivery and performance by it of this Agreement and the transactions contemplated herein, including with respect to any requirements of the TSXV applicable to the Transaction; and (v) it understands that the Purchased Shares have not been and will not be registered under any securities legislation and are subject to restrictions on resale under Applicable Law.
 - (h) **US Securities Laws.** FingerMotion:
 - (i) is a corporation listed on NASDAQ; and
 - (ii) will issue the FingerMotion Shares in compliance with applicable United States securities laws and NASDAQ requirements, and the FingerMotion Shares, when issued, will be duly authorized, validly issued, fully paid, non-assessable and listed (or approved for listing) on NASDAQ.
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- (i) **Issuance of FingerMotion Shares.** When issued and delivered at Closing in accordance with this Agreement, the FingerMotion Shares will be duly authorized, validly issued, fully paid and non-assessable, and Alset will acquire title to them free and clear of Encumbrances created by FingerMotion, subject only to the Hold Period and restrictions imposed by Applicable Law.
- (j) **No Other Contractual Hold.** Other than the Hold Period, FingerMotion has not imposed any contractual escrow, lock-up or transfer restriction on the FingerMotion Shares.

SCHEDULE E REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to FingerMotion and Alset as follows and acknowledges that FingerMotion and Alset are relying on the following representations and warranties in connection with their entrance into the Agreement and the completion of the Transaction:

- (a) **Organization.** The Company is validly organized and subsisting in accordance with the laws of its jurisdiction of formation.
 - (b) **Capacity.** The Company has full power and capacity to enter into and perform its obligations under this Agreement and any other agreement to be entered into by it pursuant to this Agreement.
 - (c) **Authorization.** All necessary corporate authorizations for the execution, delivery and performance of this Agreement and any other agreement to be entered into by the Company pursuant to this Agreement in accordance with their terms have been obtained or will be obtained prior to Closing, by the Company.
 - (d) **Binding Agreement.** The Agreement has been (and, on Closing each other agreement to be entered into by the Company pursuant to this Agreement shall have been) duly and validly executed and delivered by the Company and each of this Agreement and each other agreement to be entered into by the Company pursuant to this Agreement is and shall be the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.
 - (e) **Bankruptcy, Insolvency and Reorganization.** The Company is not insolvent within the meaning of Applicable Law nor has the Company made an assignment in favour of its creditors nor a proposal in bankruptcy to its creditors or any class thereof nor had any petition for a receiving order presented in respect of it. The Company has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of the Company, nor any of its property or assets and no execution or distress has been levied upon any of its property or assets.
 - (f) **Outstanding Securities.** The Company is authorized to issue an unlimited number of common shares without par value, of which exactly 1,000,000 are issued and outstanding as of the date of this Agreement. Alset is the sole registered and beneficial owner of all 1,000,000 issued and outstanding common shares. All such shares are duly authorized, validly issued, fully paid and non-assessable. There are no outstanding options, warrants, convertible securities, phantom equity, share appreciation rights or other rights or commitments to acquire or issue any shares or other equity securities of the Company.
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- (g) **No Adverse Implications.** Neither the execution and delivery of this Agreement or any other agreement to be entered into by the Company pursuant to this Agreement nor the completion and performance of the Transaction and obligations contemplated by or contained in this Agreement or such other agreements by the Company will, with or without notice or lapse of time:
- (i) give any Person the right to terminate, cancel or amend any contractual or other right of the Company where such termination, cancellation or amendment would have an adverse effect on the Purchased Shares;
 - (ii) result in the creation of any Encumbrance on the Purchased Shares;
 - (iii) be contrary to any of the provisions of the Charter Documents of the Company;
 - (iv) result in any pre-emptive or other third-party right to purchase any of the Purchased Shares or any of the rights of Alset in or to any of the Purchased Shares; or
 - (v) except for as otherwise required to be obtained pursuant to this Agreement in connection with the Transaction, including any TSXV approval, acceptance, notice or filing, require any consent, approval, authorization or permit of any Governmental Body or other Person, the failure of which to obtain would reasonably be expected to restrain, prohibit, limit or impose conditions on the Transaction or otherwise impede or delay the timely completion of the Transaction.
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FingerMotion Completes Acquisition of 9.9% Interest in Lyken AI Computing***Transaction Closes Following TSX Venture Exchange Approval; FingerMotion Formally Enters the Enterprise AI Compute Market***

WEST PALM BEACH, FL / ACCESS Newswire / August 17, 2026 / FingerMotion, Inc. (Nasdaq: FNGR) (“FingerMotion” or the “Company”), a mobile data and telecommunications services company, today announced the completion of its previously announced acquisition of a 9.9% interest in Lyken AI Computing Inc., operating as Lyken.AI (“Lyken”), from Alset AI Ventures Inc. (TSXV: GPUS) (“Alset AI”).

The transaction, announced on August 13, 2026, has closed following receipt of TSX Venture Exchange approval. FingerMotion has acquired 99,000 common shares of Lyken, representing 9.9% of Lyken’s issued and outstanding common shares, in consideration for the issuance of 1,674,480 restricted common shares of FingerMotion. No cash consideration was payable at closing. Alset AI retains 90.1% of Lyken.

“The Lyken transaction connects FingerMotion with a pipeline of prospective enterprise clients in what remains the most underserved segment of the data center market,” said Jolie Kahn, CEO of FingerMotion, Inc. “Enterprise customers can fall between traditional retail colocation and hyperscale providers, particularly when they require specialized compute configurations and support. This investment gives FingerMotion a meaningful starting point for addressing that underserved demand as we grow our data center strategy.”

“We’re thrilled to be closing this transaction, which adds a strategically aligned Nasdaq-listed shareholder to our Lyken business,” said Adam Ingrao, Chief Executive Officer of Alset AI. “We look forward to working in partnership with the team at FingerMotion, building on Lyken’s vendor ecosystem, enterprise traction and cloud compute opportunity pipeline.”

The completed transaction marks FingerMotion’s formal entry into the enterprise computing market and is the first step in a broader strategy to build a recurring-revenue enterprise compute franchise alongside the Company’s existing mobile data and telecommunications operations. The Company intends to pursue enterprise compute as a distinct and scalable line of business, with the objective of moving from an initial minority position toward a larger participation in Lyken and in the underlying infrastructure that supports it, subject to commercial performance, capital availability and applicable regulatory requirements.

About FingerMotion, Inc.

FingerMotion is a technology company serving a growing base of users across the mobile payment, recharge, and data-analytics markets in the People’s Republic of China. The Company continues to develop new tools and services for those users, with the long-term objective of expanding that base organically into a large and highly engaged community — scale the Company believes will support relationships with larger, higher-value customers over time. The Company also evaluates emerging technologies for adjacent opportunities.

FingerMotion is extending that strategy into the enterprise AI and cloud compute market through its equity position in Lyken AI Computing Inc. Under the terms of the transaction, the Company may increase that position over time, subject to the conditions set out in the definitive agreements.

About Lyken.AI

Lyken.AI is Alset AI's cloud compute business, providing access to outsourced cloud compute server capacity and related technical coordination and support services. Lyken is developing an integrated offering spanning compute infrastructure, secure storage, private low-latency networking and enterprise deployment support. For more information, please visit www.lyken.ai.

About Alset AI Ventures Inc.

Alset AI is an AI-focused venture investment platform dedicated to sourcing, funding, and developing companies across the artificial intelligence value chain. The Company seeks to provide investors with diversified exposure to emerging applications and infrastructure that enable advancements in AI technologies.

Investor and Media Contact

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Cautionary Note Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and is intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements regarding the Company's strategy for the enterprise computing market; the Company's intention to expand its participation in Lyken or in related infrastructure over time; the intended scope, components, delivery model and competitive positioning of the Company's enterprise compute offering; expected access to capacity, vendors, data centers, connectivity and power; anticipated go-to-market activity, customer demand, pipeline conversion and revenue; expectations regarding cost of power and delivered compute economics; and the expected strategic relationship among FingerMotion, Lyken and Alset AI.

Forward-looking statements are typically identified by words such as "will", "intend", "anticipate", "expect", "believe", "plan", "potential", "project", "estimate", "target", "continue", "position", "may", "might", "could" and "should". These statements are predictions based on assumptions, including that the Company will be able to identify, contract and deliver commercially viable enterprise compute offerings; that Lyken will maintain access to vendors, infrastructure, power and customers; and that general economic, capital-market, technology and regulatory conditions will not change materially.

Forward-looking statements are not guarantees of future performance. Actual results could differ materially due to risks and uncertainties including the Company's limited operating history in enterprise computing; competition from hyperscale and specialized compute providers; GPU, data-center, power and supply-chain constraints; inability to convert pipeline opportunities into binding contracts; customer non-renewal, termination or delayed purchasing decisions; pricing pressure and rapid technological change; the availability and cost of capital required to expand the Company's participation in Lyken or in related infrastructure; restrictions on the issuance, listing, transfer or resale of securities; fluctuations in FingerMotion's share price or foreign-exchange rates; third-party consent and confidentiality limitations; and different accounting or tax outcomes than expected. This list is not exhaustive.

Additional information concerning these and other risk factors is contained in FingerMotion's most recent Annual Report on Form 10-K and subsequent filings with the U.S. Securities and Exchange Commission, available at www.sec.gov. All forward-looking statements are expressly qualified by these cautionary statements and are made as of the date of this press release. FingerMotion undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

SOURCE: FingerMotion, Inc.

FingerMotion, Inc. Appoints Chris Polimeni as Chief Financial Officer

WEST PALM BEACH, FL / GLOBENEWSWIRE / August 17, 2026 / FingerMotion, Inc. (Nasdaq: FNGR) (“FingerMotion” or the “Company”), a mobile data and telecommunications services company, today announced the appointment of Chris Polimeni as Chief Financial Officer, effective August 17, 2026. Mr. Polimeni succeeds Lee Yew Hon, whose resignation as Chief Financial Officer was accepted by the Board of Directors.

The appointment follows FingerMotion’s announcement earlier today of the completed acquisition of a 9.9% interest in Lyken AI Computing Inc., marking the Company’s formal entry into the enterprise AI compute market.

“Chris has spent more than three decades doing precisely what this next phase of the Company requires — structuring transactions, managing capital, and building the financial discipline that lets a business grow without losing control of it,” said Jolie Kahn, Chief Executive Officer of FingerMotion. “We are entering the enterprise compute market from a standing start, and that is a capital-intensive undertaking. Chris has done this work before, at public companies, through cycles.”

“I want to thank Lee Yew Hon for his service,” Ms. Kahn added. “He joined FingerMotion when it was still an OTC-quoted company and helped guide it to a Nasdaq listing. That is a genuine achievement and the Company is better for it.”

“FingerMotion has an operating business that already generates real revenue and a credible path into one of the most capital-intensive markets in technology,” said Mr. Polimeni. “Those two things together are rarer than they sound. My focus will be on making sure the balance sheet, financial reporting, and capital structure can support the Company’s growth plans.”

About Chris Polimeni

Chris Polimeni is an accomplished financial executive with more than 35 years of experience driving financial strategy and operational efficiency at both public and private companies across publishing, distribution, waste management, and technology. He brings deep expertise in mergers and acquisitions, capital raising across debt and equity markets, SEC reporting, contract negotiations, revenue recognition, auditing, financial planning and analysis, treasury management, taxation, and ERP implementation.

A results-driven leader, Mr. Polimeni combines strong analytical skills with a proven ability to structure complex financial transactions and advance strategic growth initiatives. Most recently, he served as Chief Financial Officer of Avax One Technology Ltd. Since 2020, he has also served as President and Chief Executive Officer of Polimeni & Associates, Inc. He holds a Bachelor of Business Administration in Accounting and Management Information Systems from Hofstra University.

About FingerMotion, Inc.

FingerMotion is a technology company serving a growing base of users across the mobile payment, recharge, and data-analytics markets in the People’s Republic of China. The Company continues to develop new tools and services for those users, with the long-term objective of expanding that base organically into a large and highly engaged community — scale the Company believes will support relationships with larger, higher-value customers over time. The Company also evaluates emerging technologies for adjacent opportunities.

FingerMotion is extending that strategy into the enterprise AI and cloud compute market through its equity position in Lyken AI Computing Inc. Under the terms of the transaction, the Company may increase that position over time, subject to the conditions set out in the definitive agreements.

Investor and Media Contact

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This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and is intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements regarding the anticipated contributions of the Company’s new Chief Financial Officer, the Company’s financial reporting, capital structure and treasury management, and the Company’s strategy for the enterprise computing market.

Forward-looking statements are typically identified by words such as “will”, “intend”, “anticipate”, “expect”, “believe”, “plan”, “potential”, “project”, “estimate”, “target”, “continue”, “position”, “may”, “might”, “could” and “should”. These statements are predictions based on current assumptions and are not guarantees of future performance. Actual results could differ materially due to risks and uncertainties affecting the Company’s business, including those described in the Company’s most recent Annual Report on Form 10-K and subsequent filings with the U.S. Securities and Exchange Commission, available at www.sec.gov.

All forward-looking statements are expressly qualified by these cautionary statements and are made as of the date of this press release. FingerMotion undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

SOURCE: FingerMotion, Inc.
