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

FORM 10-Q

(Mark One)

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

For the quarterly period ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____to_____

COMMISSION FILE NUMBER 001-37487

Aethlon Medical, Inc.
(Exact name of registrant as specified in its charter)

NEVADA	13-3632859
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
11555 SORRENTO VALLEY ROAD, SUITE 203, SAN DIEGO, CA	92121
(Address of principal executive offices)	(Zip Code)

(619) 941-0360
(Registrant's telephone number, including area code)

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

TITLE OF EACH CLASS	TRADING SYMBOL	NAME OF EACH EXCHANGE ON WHICH REGISTERED
COMMON STOCK, $0.001 PAR VALUE	AEMD	NASDAQ CAPITAL MARKET

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

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

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

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

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

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

As of February 11, 2026, the registrant had outstanding 1,315,110 shares of common stock, $0.001 par value.

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CAUTIONARY NOTICE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, or Quarterly Report, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which are subject to the safe harbor created by those sections.

We may, in some cases, use words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "would" or the negative of these terms, and similar expressions that convey uncertainty of future events or outcomes to identify these forward-looking statements. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are inherently uncertain and beyond our control. Such statements, include, but are not limited to, statements contained in this Quarterly Report relating to our business, business strategy, products and services we may offer in the future, the timing and results of future clinical trials, and capital outlook, successful completion of our clinical trials, our ability to raise additional capital, our ability to maintain our Nasdaq listing, U.S. Food and Drug Administration, or FDA, approval of our products candidates, our ability to comply with changing government regulations, patent protection of our proprietary technology, product liability exposure, uncertainty of market acceptance, competition, technological change, and other risk factors detailed herein and in other of our filings with the Securities and Exchange Commission, or the SEC. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. They are neither statement of historical fact nor guarantees of assurance of future performance. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward looking statements include, but are not limited to, a decline in general economic conditions nationally and internationally, the ability to protect our intellectual property rights, competition from other providers and products, risks in product development, inability to raise capital to fund continuing operations, changes in government regulation, the impact of the government shutdown, and other factors (including the risks contained in Item 1A of our most recent Annual Report on Form 10-K under the heading "Risk Factors") relating to our industry, our operations and results of operations and any businesses that may be acquired by us. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.

Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Given these uncertainties, you should not place undue reliance on these forward-looking statements. We cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, we undertake no obligation to and do not intend to update any of the forward-looking statements to conform these statements to actual results.

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AETHLON MEDICAL, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2025 (Unaudited)	March 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 6,956,397	$ 5,501,261
Prepaid expenses and other current assets	185,122	448,539
Total current assets	7,141,519	5,949,800
Property and equipment, net	434,179	676,220
Operating lease right-of-use asset, net	382,583	601,846
Patents, net	138	550
Restricted cash	98,709	97,813
Deposits	–	33,305
Total assets	$ 8,057,128	$ 7,359,534
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 469,452	$ 534,524
Due to related parties	237,846	579,565
Operating lease liability, current portion	330,628	313,033
Other current liabilities	219,211	472,164
Total current liabilities	1,257,137	1,899,286
Operating lease liability, less current portion	86,894	336,718
Total liabilities	1,344,031	2,236,004
Stockholders' Equity		
Common stock, par value $0.001 per share; 6,000,000 shares authorized as of December 31, 2025 and March 31, 2025; 973,213 shares issued and outstanding as of December 31, 2025 and 258,531 shares issued and 201,074 outstanding at March 31, 2025.	973	259
Additional paid-in capital	179,963,981	173,095,221
Accumulated other comprehensive loss	(29,837)	(17,133)
Accumulated deficit	(173,222,020)	(167,954,817)
Total stockholders' equity	6,713,097	5,123,530
Total liabilities and stockholders' equity	$ 8,057,128	$ 7,359,534

The accompanying notes are an integral part of these condensed consolidated financial statements.

AETHLON MEDICAL, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three and Nine Month Periods Ended December 31, 2025 and 2024
(Unaudited)

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024
OPERATING EXPENSES				
Professional fees	$ 333,042	$ 377,877	$ 1,202,870	$ 1,563,995
Payroll and related expenses	987,424	620,487	2,163,036	3,248,187
General and administrative	741,650	816,383	1,998,429	2,525,220
Total operating expenses	2,062,116	1,814,747	5,364,335	7,337,402
OPERATING LOSS	(2,062,116)	(1,814,747)	(5,364,335)	(7,337,402)
INTEREST INCOME, NET	43,871	59,964	97,132	204,206
NET LOSS	(2,018,245)	(1,754,783)	(5,267,203)	(7,133,196)
OTHER COMPREHENSIVE (LOSS)	(3,460)	(13,057)	(12,704)	(10,085)
COMPREHENSIVE LOSS	$ (2,021,705)	$ (1,767,840)	$ (5,279,907)	$ (7,143,281)
Basic and diluted loss per share attributable to common stockholders	$ (2.45)	$ (10.05)	$ (11.01)	$ (48.35)
Weighted average number of common shares outstanding – basic and diluted	823,126	174,529	478,310	147,520

The accompanying notes are an integral part of these condensed consolidated financial statements.

AETHLON MEDICAL, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Three and Nine Months Ended December 31, 2025 and 2024
(Unaudited)

	COMMON STOCK		ADDITIONAL PAID IN	ACCUMULATED	ACCUMULATED COMPREHENSIVE	TOTAL
	SHARES	AMOUNT	CAPITAL	DEFICIT	INCOME (LOSS)	EQUITY
BALANCE – MARCH 31, 2025	258,531	$ 259	$ 173,095,221	$ (167,954,817)	$ (17,133)	$ 5,123,530
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	1,340	1	(5,358)	–	–	(5,357)
Stock-based compensation expense	–	–	72,442	–	–	72,442
Rounding for reverse split	8	–	–	–	–	–
Net loss	–	–	–	(1,761,858)	–	(1,761,858)
Other comprehensive loss	–	–	–	–	(5,244)	(5,244)
BALANCE – JUNE 30, 2025	259,879	$ 260	$ 173,162,305	$ (169,716,675)	$ (22,377)	$ 3,423,513
Issuances of common stock for public offering	500,000	500	3,743,966	–	–	3,744,466
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	1,340	1	(3,345)	–	–	(3,344)
Stock-based compensation expense	–	–	72,442	–	–	72,442
Rounding for reverse split	99	–	–	–	–	–
Net loss	–	–	–	(1,487,100)	–	(1,487,100)
Other comprehensive loss	–	–	–	–	(4,000)	(4,000)
BALANCE – SEPTEMBER 30, 2025	761,318	$ 761	$ 176,975,368	$ (171,203,775)	$ (26,377)	$ 5,745,977
Issuances of pre-funded warrants and warrants to institutional investor (including exercise of existing warrants), net of offering costs	210,555	210	2,917,412	–	–	2,917,622
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	1,340	2	(1,241)	–	–	(1,239)
Stock-based compensation expense	–	–	72,442	–	–	72,442
Net loss	–	–	–	(2,018,245)	–	(2,018,245)
Other comprehensive loss	–	–	–	–	(3,460)	(3,460)
BALANCE DECEMBER 31, 2025	973,213	$ 973	$ 179,963,981	$ (173,222,020)	$ (29,837)	$ 6,713,097

	COMMON STOCK		ADDITIONAL PAID IN	ACCUMULATED	ACCUMULATED COMPREHENSIVE	TOTAL
	SHARES	AMOUNT	CAPITAL	DEFICIT	INCOME (LOSS)	EQUITY
BALANCE – MARCH 31, 2024	32,873	$ 33	$ 160,339,967	$ (154,566,728)	$ (6,940)	$ 5,766,332
Proceeds from Issuances of common stock, net	101,250	101	3,539,806	–	–	3,539,907
Issuances of common stock for Class A and Class B warrant exercises	39,750	40	1,844,360	–	–	1,844,400
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	347	–	(5,078)	–	–	(5,078)
Stock-based compensation expense	–	–	139,328	–	–	139,328
Net loss	–	–	–	(2,571,440)	–	(2,571,440)
Other comprehensive loss	–	–	–	–	(833)	(833)
BALANCE – JUNE 30, 2024	174,220	$ 174	$ 165,858,383	$ (157,138,168)	$ (7,773)	$ 8,712,616
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	309	–	(3,832)	–	–	(3,832)
Stock-based compensation expense	–	–	113,493	–	–	113,493
Net loss	–	–	–	(2,806,973)	–	(2,806,973)
Other comprehensive income	–	–	–	–	3,804	3,804
BALANCE – SEPTEMBER 30, 2024	174,529	$ 174	$ 165,968,044	$ (159,945,141)	$ (3,969)	$ 6,019,108
Issuance of common shares upon vesting of restricted stock units and net stock option exercises	309	–	(7,072)	–	–	(7,072)
Stock-based compensation expense	–	–	89,970	–	–	89,970
Net loss	–	–	–	(1,754,783)	–	(1,754,783)
Other comprehensive loss	–	–	–	–	(13,057)	(13,057)
BALANCE – DECEMBER 31, 2024	174,838	$ 174	$ 166,050,942	$ (161,699,924))	$ (17,026)	$ 4,334,166

Note: Due to presentation, the sum of the quarterly components may not exactly equal the year-to-date total. Ending balances tie to the balance sheet; no impact to net income, total equity, or cash flows.

The accompanying notes are an integral part of these condensed consolidated financial statements.

AETHLON MEDICAL, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended December 31, 2025 and 2024
(Unaudited)

	Nine months Ended December 31, 2025	Nine months Ended December 31, 2024
Cash flows used in operating activities:		
Net loss	$ (5,267,203)	$ (7,133,196)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	244,106	255,695
Stock based compensation	217,326	342,791
Amortization of right-of-use operating lease asset	219,263	209,740
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	426,050	418,718
Accounts payable and other current liabilities	(745,834)	(302,096)
Due to related parties	(341,719)	235,465
Net cash used in operating activities	(5,248,011)	(5,972,883)
Cash used in investing activities		
Purchases of property and equipment	(1,653)	(2,192)
Net cash used investing activities	(1,653)	(2,192)
Cash flows provided by financing activities:		
Proceeds from the issuance of common stock, pre-funded warrants and warrant exercises	7,749,942	5,384,307
Payments for deferred offering costs related to equity issuances	(1,021,602)	–
Tax withholding payments or tax equivalent payments for net share settlement of restricted stock units	(9,940)	(15,983)
Net cash provided by financing activities	6,718,400	5,368,324
Effect of exchange rate on changes on cash	(12,704)	(9,840)
Net increase (decrease) in cash, cash equivalents and restricted cash	1,456,032	(616,591)
Cash, cash equivalents and restricted cash at beginning of period	5,599,074	5,529,484
Cash, cash equivalents and restricted cash at end of period	$ 7,055,106	$ 4,912,893
Supplemental disclosures of cash flow information:		
Supplemental disclosures of non-cash investing and financing activities:		
Par value of shares issued for vested restricted stock units	$ 4	$ –
Warrant modification costs	$ 135,676	$ –
Deferred offering costs not yet paid	$ 124,507	$ 34
Reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheets:		
Cash and cash equivalents	$ 6,956,397	$ 4,825,387
Restricted cash	98,709	87,506
Cash, cash equivalents and restricted cash	$ 7,055,106	$ 4,912,893

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION ORGANIZATION

Aethlon Medical, Inc., or Aethlon, the Company, we or us, is a medical therapeutic company focused on developing the Hemopurifier® (HP), a clinical-stage immunotherapeutic device intended for applications in cancer, life-threatening viral infections, and organ transplantation and other areas of significant unmet needs. In human studies (168 sessions with 42 patients), the Hemopurifier was used safely and demonstrated the potential to remove enveloped viruses. In pre-clinical studies, the Hemopurifier has exhibited the capacity to remove harmful extracellular vesicles (EVs) and enveloped viruses from biological fluids, utilizing its proprietary lectin-based mechanism. These extracellular vesicles have been implicated in disease processes such as immune suppression and metastasis in cancer as well as in the progression of severe life-threatening infectious diseases. The U.S. Food and Drug Administration ("FDA") has designated the Hemopurifier as a "Breakthrough Device" for two independent indications:

- the treatment of individuals with advanced or metastatic cancer who are unresponsive to or intolerant of standard of care therapy, and with cancer types in which extracellular vesicles have been shown to participate in the development or severity of the disease; and

- the treatment of life-threatening viruses for which no approved therapies currently exist.

We are also evaluating the Hemopurifier's potential in additional clinical contexts based on its mechanism of action and preclinical findings.

Three clinical sites in Australia—Royal Adelaide Hospital in Adelaide, Pindara Private Hospital in the Gold Coast, and GenesisCare North Shore Hospital in Sydney—are currently open for enrollment in our safety, feasibility and dose-finding oncology trial in patients with solid tumors not responding to treatment including either Keytruda® or Opdivo®. This trial aims to enroll 9-18 patients.

In 2025, we completed the first of three planned cohorts, comprising three participants. Each of the three participants received a single 4-hour Hemopurifier treatment. The Data Safety Monitoring Board (DSMB), comprising independent medical experts in nephrology and oncology, reviewed the data from the initial cohort. Based on their evaluation, the DSMB found no safety concerns and confirmed that the Hemopurifier continues to demonstrate a favorable safety and tolerability profile. To date, no serious adverse events (SAEs) or Dose-Limiting Toxicities (DLTs) related to the Hemopurifier have been reported.

Following the DSMB review of the first cohort and their recommendation to proceed onto the second cohort, we began enrollment in the second Cohort 2. In this phase, participants receive two Hemopurifier treatments over a one-week period at the study's three active clinical sites in Australia. To date, we have treated two participants in Cohort 2 and are continuing to recruit additional participants

The Company previously planned a similar clinical trial in India and received formal approval from the Indian regulatory agency, the Central Drugs Standard Control Organization (CDSCO), to conduct this trial in India on July 7, 2025. After reviewing extended timelines for site activation and trial execution, we made the decision to cancel the Indian trial to conserve resources and to concentrate efforts on the Australian oncology trial.

The Hemopurifier is designed to address life-threatening viral infections, particularly those involving highly glycosylated viruses for which there are no approved therapies. It has previously been used under FDA and international regulatory frameworks to treat individuals infected with HIV, hepatitis C, Ebola, and SARS-CoV-2. While our COVID-19 clinical trials in the U.S. and India have been terminated due to low ICU enrollment, these programs provided real-world evidence of Hemopurifier use in critically ill patients. We maintain an open IDE for viral indications, preserving the ability to respond to future outbreaks or emerging pathogens.

In addition to our ongoing clinical trials, we continue to explore potential new applications for the Hemopurifier through internal pre-clinical research and academic collaborations. During the first fiscal quarter of 2026, results of our pre-clinical ex-vivo study entitled "Ex Vivo Removal of CD41 positive platelet microparticles from Plasma by a Medical Device containing a Galanthus nivalis agglutinin (GNA) affinity resin" were made publicly available as a pre-print on bioRxiv. This study evaluated the ability of the Hemopurifier's to bind and remove disease-relevant extracellular vesicles (EVs), including those derived from platelets, which are implicated in cancer, autoimmune disease, and neurological disorders. The study demonstrated >98% removal of platelet-derived EVs from healthy human plasma in a simulated clinical session.

In November 2025 we also made publicly available a separate pre-clinical preprint entitled "Increased mannosylation of extracellular vesicles in Long COVID plasma provides a potential therapeutic target for Galanthus nivalis agglutinin (GNA) affinity resin," which describes exploratory ex vivo laboratory research conducted in collaboration with the University of California, San Francisco Long COVID Clinic examining EV characteristics in plasma samples from individuals with Long COVID. The findings described in these preprints have not been peer reviewed and are based on laboratory analysis rather than clinical studies.

These activities are intended to inform potential future research directions and evaluate the broader applicability of the Hemopurifier platform and may not be indicative of clinical outcomes.

Successful outcomes of human trials will also be required by the regulatory agencies of certain foreign countries where we plan to market and sell the Hemopurifier. Some of our patents may expire before FDA approval or approval in a foreign country, if any, is obtained. However, we believe that certain patent applications and/or other patents issued to us more recently will help protect the proprietary nature of our Hemopurifier treatment technology.

In addition to the foregoing, we are monitoring closely the impact of inflation, recent bank failures and the war between Russia and Ukraine and the military conflicts in Israel and the surrounding areas, as well as related political and economic responses and counter-responses by various global factors on our business. Given the level of uncertainty regarding the duration and impact of these events on capital markets and the U.S. economy, we are unable to assess the impact on our timelines and future access to capital. The full extent to which inflation, recent bank failures and the ongoing military conflicts will impact our business, results of operations, financial condition, clinical trials and preclinical research will depend on future developments, as well as the economic impact on national and international markets that are highly uncertain.

We incorporated in Nevada on March 10, 1999. Our executive offices are located at 11555 Sorrento Valley Road, Suite 203, San Diego, California 92121. Our telephone number is (619) 941-0360. Our website address is www.aethlonmedical.com.

Our common stock is listed on the Nasdaq Capital Market under the symbol "AEMD."

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

During the nine months ended December 31, 2025, there were no changes to our significant accounting policies as described in our Annual Report on Form 10-K for the fiscal year ended March 31, 2025.

REVERSE STOCK SPLITS

On October 16, 2025, the Company implemented a 1-for-10 reverse stock split of its then outstanding shares of common stock, with trading of the post-split shares beginning October 20, 2025. Accordingly, each 10 shares of outstanding common stock then held by our stockholders were combined into one share of common stock. Any fractional shares resulting from the reverse split were rounded up to the next whole share. Authorized common stock was 6,000,000 shares following the stock split. The reverse stock split was implemented in response to the Company's receipt of a Nasdaq notification regarding noncompliance with the minimum bid price requirement for continued listing. The accompanying unaudited condensed consolidated financial statements and accompanying notes have been retroactively revised to reflect such reverse stock split as if it had occurred on April 1, 2024. All shares and per share amounts have been revised accordingly.

On June 9, 2025, we effected a 1-for-8 reverse stock split of our then outstanding shares of common stock. Accordingly, each 8 shares of outstanding common stock then held by our stockholders were combined into one share of common stock. Any fractional shares resulting from the reverse split were rounded up to the next whole share. Authorized common stock remained at 60,000,000 shares following the stock split. The accompanying unaudited condensed consolidated financial statements and accompanying notes have been retroactively revised to reflect such reverse stock split as if it had occurred on April 1, 2024. All shares and per share amounts have been revised accordingly.

Basis of Presentation and Use of Estimates

Our accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP, for interim financial information and with the instructions to Form 10-Q and Article 8 of the Securities and Exchange Commission, or SEC, Regulation S-X. Accordingly, they should be read in conjunction with the audited financial statements and notes thereto for the fiscal year ended March 31, 2025, included in our Annual Report on Form 10-K filed with the SEC on June 26, 2025. The accompanying unaudited condensed consolidated financial statements include the accounts of Aethlon Medical, Inc. and its wholly owned subsidiary, Aethlon Medical Australia Pty Ltd. All significant inter-company transactions and balances have been eliminated in consolidation. The accompanying unaudited condensed consolidated financial statements, taken as a whole, contain all adjustments that are of a normal recurring nature necessary to present fairly our operating results, cash flows, and financial position as of and for the period ended December 31, 2025. Estimates were made relating to useful lives of fixed assets, impairment of assets, share-based compensation expense and accruals for clinical trial and research and development expenses. Actual results could differ materially from those estimates. The accompanying condensed consolidated balance sheet at March 31, 2025 has been derived from the audited consolidated balance sheet at March 31, 2025, contained in the above referenced 10-K. The results of operations for the three and nine months ended December 31, 2025 are not necessarily indicative of the results to be expected for the full year or any future interim periods.

LIQUIDITY AND GOING CONCERN

Management expects existing cash as of December 31, 2025 not to be sufficient to fund the Company’s operations for at least twelve months from the issuance date of these condensed consolidated financial statements. As a result, there is substantial doubt about the Company’s ability to continue as a going concern.

We are actively evaluating a range of strategic and financing options to extend our cash runway and support our ongoing operations, including clinical development activities. These options include potential equity offerings and other funding opportunities. However, there can be no assurance that any such financing will be available on acceptable terms, or at all.

Our ability to continue as a going concern is dependent upon securing additional capital and successfully executing our business plans. If we are unable to raise additional capital when needed, we may be forced to significantly curtail or cease operations, including research and development programs and clinical trials.

The accompanying unaudited condensed consolidated financial statements have been prepared assuming that we will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the ordinary course of business.

Restricted Cash

As of December 31, 2025, we maintained a restricted cash balance of $98,709 in an interest-bearing money market deposit account with JPMorgan Chase, which supports our lease obligations. This balance includes a $5,000 buffer above the required security amount.

2. LOSS PER COMMON SHARE

Basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the period of computation. Diluted loss per share is computed similar to basic loss per share, except that the denominator is increased to include the number of additional dilutive common shares that would have been outstanding if potential common shares had been issued, if such additional common shares were dilutive. Since we had net losses for all periods presented, basic and diluted loss per share are the same, and additional potential common shares have been excluded, as their effect would be antidilutive.

As of December 31, 2025 and 2024, potential common shares totaling 2,555,830 and 168,240, respectively, representing outstanding stock options, warrants (including prefunded warrants), and restricted stock units were excluded from diluted EPS as their inclusion would be antidilutive.

3. RESEARCH AND DEVELOPMENT EXPENSES

Our research and development costs are expensed as incurred. We incurred research and development expenses during the three- and nine-month periods ended December 31, 2025 and 2024, which are included in various operating expense line items in the accompanying condensed consolidated statements of operations. Our research and development expenses in those periods were as follows:

	December 31, 2025	December 31, 2024
Three months ended	$ 532,782	$ 240,199
Nine months ended	1,322,016	883,616

During the nine months ended December 31, 2025, we recognized an R&D tax incentive related to our clinical trial activities conducted in Australia. The Australian R&D incentive is a government program that provides refundable tax offsets for eligible research and development expenditures incurred in Australia. The incentive was recorded as a reduction of research and development expense when the related qualifying expenditures were incurred and receipt of the credit was considered probable. We recognized approximately $218,000 related to this incentive, which reduced reported R&D expense for nine-month period ended December 31, 2025 (see Note 11).

4. RECENT ACCOUNTING PRONOUNCEMENTS

In December 2023, the FASB issued Accounting Standards Update 2023-09, Income Taxes (Topic 740*): Improvements to Income Tax Disclosures*, which requires enhanced annual disclosures related to tax rate reconciliation and income taxes paid disaggregated by federal, state and foreign taxes. ASU 2023-09 is effective for the Company for annual periods beginning on or after April 1, 2025. The Company maintains a full valuation allowance against its deferred assets and does not have current income tax expense nor material income taxes paid. While the Company is evaluating the impact of this new standard on its income tax disclosures, it does not expect the adoption of ASU 2023-09 to have material impact on its consolidated financial statements, as the amendments relate to disclosures only.

In November 2024, the FASB issued Accounting Standards Update 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures* ("ASU 2024-03"), which requires public business entities to provide enhanced annual and interim disclosures that disaggregate specified income statement expense categories. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. In January 2025 the FASB issued Accounting Standards Update 2025-01, *Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*, to clarify effective dates of in ASU 2024-03. The Company is currently evaluating the potential impact of this guidance on its disclosures.

In December 2025, the FASB issued Accounting Standards Update 2025-10, *Government Grants* (Topic 832), which provides guidance on the recognition, measurement, presentation, and disclosure of government grants. ASU 2025-10 is effective for annual periods beginning after December 15, 2028, and interim periods within fiscal years beginning after December 15, 2029, with early adoption permitted. The Company is currently evaluating the potential impact of this guidance on its consolidated financial statements and disclosures.

In December 2025, the FASB issued Accounting Standards Update 2025-11, *Interim Reporting* (Topic 270), which clarifies and organizes disclosure requirements for interim financial statements and requires disclosure of material events occurring since the end of the most recent annual period. ASU 2025-11 is effective for interim periods within fiscal years beginning after December 15, 2027, and annual periods beginning after December 15, 2028, with early adoption permitted. The Company is currently evaluating the potential impact of this guidance on its consolidated financial statements and disclosures.

In December 2025, the FASB issued Accounting Standards Update 2025-12, *Codification Improvements*, which includes technical corrections and clarifications across various topics in the FASB Accounting Standards Codification. ASU 2025-12 is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2026, and early adoption is permitted. This ASU is not expected to have a material impact on the Company's consolidated financial statements or disclosures.

5. EQUITY TRANSACTIONS IN THE NINE MONTHS ENDED DECEMBER 31, 2025

December 2025 Private Placement and Warrant Inducement Agreement

On December 5, 2025, the Company and an institutional investor (the "Purchaser") entered into a securities purchase agreement (the "Securities Purchase Agreement"), pursuant to which the Company agreed to issue to the Purchaser, in a private placement (the "PIPE Offering"), (i) 595,897 pre-funded warrants to purchase Common Stock ("Pre-Funded Warrants") and (ii) 1,042,820 warrants to purchase shares of Common Stock at an exercise price of $4.03 per share (the "Common Warrants"). The PIPE Offering closed on December 8, 2025 subject to customary conditions to closing. The Common Warrants are exercisable upon stockholder approval and expire five and one-half years following the stockholder approval date. As a result of an amendment to the Pre-Funded Warrants and Securities Purchase Agreement on January 22, 2026, the Pre-Funded Warrants are exercisable immediately at an exercise price of $0.0001 per share. The Company also issued warrants to purchase 23,836 shares of common stock (the "Placement Agent Shares") to the placement agent (the "Placement Agent Warrants"), pursuant to the Placement Agent Agreement dated December 5, 2025. The Placement Agent Warrants have an exercise price of $5.04 per share, and expire five and one half years from approval by the Company's stockholders.

At the same time and as part of the PIPE Offering, the Company entered into a warrant inducement agreement (the "Inducement Agreement") with the same Purchaser of certain outstanding common stock purchase warrants. Under this agreement, the Purchaser's existing warrants were modified, including exercise at a reduced price of $4.03 per share for 210,555 shares, and the Purchaser received 368,471 new warrants (the "Inducement Warrants") to encourage participation in the PIPE Both the modification and the new inducement Warrants were made solely in connection with the PIPE Offering and are considered costs of obtaining financing. The new warrants are exercisable upon stockholder approval, have an exercise price of $4.03 per share, and expire five and one-half years following the stockholder approval date.

The Company also issued warrants to buy 23,836 shares of common stock to placement agent (the "Placement Agent Warrants") under the Placement Agent Agreement dated December 5, 2025. The Placement Agent Warrants have an exercise price of $5.04 per share and expire five and one-half years after shareholder approval.

The securities issued in the PIPE Offering and Inducement Agreement were issued in a private placement exempt from registration under Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder.

The Company filed a Registration Statement on Form S-1 (File No. 333-292598) covering the resale of shares underlying the warrants issued in the PIPE Offering and Inducement Agreement which was declared effective on January 16, 2026. The Company is required to maintain the effectiveness of the registration statement as required under the Registration Rights Agreement and Inducement Agreement The agreements include customary provisions for liquidated damages if the registration statements are not maintained on time.

Gross proceeds from the PIPE Offering was approximately $3.3 million before placement agent fees and offering costs. The Company intends to use the net proceeds for working capital and general corporate purposes.

Warrant Exercises

As described above, in connection with the Inducement Agreement, the holder of common stock purchase warrants exercised 210,555 shares of common stock for additional proceeds to the company of $848,537.

October 2025 Reverse Stock Split

On October 16, 2025, the Company implemented a 1-for-10 reverse stock split of its then outstanding shares of common stock, with trading of the post-split shares beginning October 20, 2025. Accordingly, each 10 shares of outstanding common stock then held by our stockholders were combined into one share of common stock. Any fractional shares resulting from the reverse split were rounded up to the next whole share. Authorized common stock was 6,000,000 shares following the stock split. The reverse stock split was implemented in response to the Company's receipt of a Nasdaq notification regarding noncompliance with the minimum bid price requirement for continued listing. The accompanying unaudited condensed consolidated financial statements and accompanying notes have been retroactively revised to reflect such reverse stock split as if it had occurred on April 1, 2024. All shares and per share amounts have been revised accordingly.

Restricted Stock Unit Grants

In April 2025, the Compensation Committee of the Board, or Compensation Committee, approved, pursuant to the terms of our Amended and Restated Non-Employee Director Compensation Policy, or the Director Compensation Policy, the grant of the annual RSUs under the Director Compensation Policy to each of the three non-employee directors of the Company then serving on the Board of Directors of the Company, or Board. The Director Compensation Policy provides for a grant of stock options or $50,000 worth of RSUs at the beginning of each fiscal year for current non-employee directors then serving on the Board, and for a grant of stock options or $75,000 worth of RSUs for a newly elected non-employee director, with each RSU priced at the average for the closing prices for the five days preceding and including the date of grant, or $20.80 per share for the April 2025 RSU grants. As a result, in April 2025 the four eligible directors were each granted an RSU in the amount of 1,786 shares under the 2020 Plan. The RSUs are subject to vesting in four equal installments, with 25% of the restricted stock units vesting on each of June 30, 2025, September 30, 2025, December 31, 2025, and March 31, 2026, subject in each case to the director's Continuous Service (as defined in the 2020 Plan), through such dates. Vesting will terminate upon the director's termination of Continuous Service prior to any vesting date.

During the three- and nine-months ended December 31, 2025, 1,340 and 4,020 shares were issued upon settlement of 1,787 and 5,360 RSUs, respectively.

6. RELATED PARTY TRANSACTIONS

The following table summarizes accrued amounts owed to related parties as of December 31, 2025 and March 31, 2025:

Related Party	Relationship	December 31, 2025 Accrued	March 31, 2025 Accrued
Non-employee directors	Board Fees	$ 68,250	$ 68,250
Former executive officers	Separation expenses	–	346,286
Current employees	Vacation balances	169,596	165,029
Total		$ 237,846	$ 579,565

During the three-months ended December 31, 2025, we paid $68,250 in board fees to non-employee directors for services rendered in the current and prior quarters. In the nine-months ended December 31, 2025, we paid an aggregate of $204,750 in board fees.

During the three- and nine-months ended December 31, 2025, we paid $17,451 and $346,286 in separation expenses to former executive officer. As of December 31, 2025, there were no accrued separation expenses.

As of December 31, 2025, accrued vacation balances owed to current employees totaled $169,596. Compared to March 31, 2025, accrued vacation balances increased by $4,567.

7. OTHER CURRENT LIABILITIES

Other current liabilities were comprised of the following items:

	December 31, 2025	March 31, 2025
D&O insurance premium financing	$ –	$ 178,206
Accrued professional fees	171,098	247,631
Accrued resale registration	46,327	46,327
Employee related FSA accruals	1,786	–
Total other current liabilities	$ 219,211	$ 472,164

8. STOCK COMPENSATION

All of the stock-based compensation expense recorded during the three and nine months ended December 31, 2025 and 2024, aggregating $72,442 and $89,970 for the three-month periods and $217,326 and $342,791 for the nine-month periods, respectively, is included in payroll and related expense in the accompanying condensed consolidated statements of operations. Stock-based compensation expense recorded during the three and nine months ended December 31, 2025 and 2024 represented an impact on basic and diluted loss per common share of $(0.09) and $(0.52) for the three-month periods and $(0.45) and $(2.32) for the nine-month periods, respectively.

Stock Option Activity

We did not issue any stock options during the nine-months ended December 31, 2025 and 2024.

Stock options outstanding that have vested as of December 31, 2025 and stock options that are expected to vest subsequent to December 31, 2025 are as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term in Years
Vested	645	$ 1,308.87	5.35
Expected to vest	14	$ 1,128.00	6.11
Total	659		

A summary of stock option activity during the three months ended December 31, 2025 is presented below:

	Amount	Range of Exercise Price	Weighted Average Exercise Price
Outstanding at beginning of year	659	$ 1,024.00 – 2,016.00	$ 1,305
Granted	–	$ –	$ –
Cancelled/Expired	–	$ –	$ –
Outstanding December 31, 2025	659	$ 1,024.00 – 2,016.00	$ 1,305
Exercisable, December 31, 2025	645	$ 1,024.00 – 2,016.00	$ 1,309

There were no stock option grants during the three months ended December 31, 2025 and 2024. There were no RSUs granted during the three months ended December 31, 2025. There were no stock option exercises during the three months ended December 31, 2025 and 2024. On December 31, 2025, our outstanding stock options had no intrinsic value, since the closing share price on that date of $2.77 per share was below the exercise price of our outstanding stock options.

The table below summarizes nonvested stock options as of December 31, 2025 and changes during the nine months ended December 31, 2025.

	Shares	Weighted Average Grant Date Fair Value
Nonvested stock options at April 1, 2025	76	$ 1.37
Vested	(62)	$ 1.37
Forfeited	–	
Nonvested stock options at December 31, 2025	14	

The detail of the options outstanding and exercisable as of December 31, 2025 is as follows:

	Options Outstanding			Options Exercisable	
Exercise Prices	Number Outstanding	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number Outstanding	Weighted Average Exercise Price
$ 1,024.00 – 1,128.00	507	5.46 years	$ 1,091.90	493	$ 1,090.88
$ 2,016.00	152	5.01 years	$ 2,016.00	152	$ 2,016.00
	659			645	

The table below summarizes restricted stock units as of December 31, 2025 and changes during the nine months ended December 31, 2025.

	Shares
Nonvested RSUs at April 1, 2025	–
Granted	7,144
Vested	(5,360)
Nonvested RSUs at December 31, 2025	1,784

Our total stock-based compensation for the nine months ended December 31, 2025 and 2024 included the following:

	Nine Months Ended	
	December 31, 2025	December 31, 2024
Vesting of restricted stock units	$ 150,000	$ 168,750
Vesting of stock options	67,326	174,071
Total Stock-Based Compensation	$ 217,326	$ 342,791

We review share-based compensation on a quarterly basis for changes to the estimate of expected award forfeitures based on actual forfeiture experience. The cumulative effect of adjusting the forfeiture rate for all expense amortization is recognized in the period the forfeiture estimate is changed. The effect of forfeiture adjustments for the three months ended December 31, 2025 was insignificant.

At December 31, 2025, there was approximately $61,221 of unrecognized compensation cost related to share-based payments, which is expected to be recognized over a weighted average period of 0.21 years.

9. WARRANTS

During the three months ended December 31, 2025, we recorded 595,897 pre-funded warrants, which are exercisable upon shareholder approval and 1,411,291 standard warrants and 23,836 placement agent warrants, which are contingently issuable upon shareholder approval, in connection with our December 5, 2025 PIPE offering and Warrant Inducement Agreement. No warrants were issued during the three months ended December 31, 2024.

For the nine months ended December 31, 2025, we granted a total of 520,000 standard warrants, in addition to the pre-funded and contingently issuable warrants recorded during the three months ended December 31, 2025. In comparison, during the nine months ended December 31, 2024, we recorded 16,524,000 warrants in connection with the May 17, 2024 public offering.

A summary of warrant activity during the nine months ended December 31, 2025 is presented below:

	Amount	Range of Exercise Price	Weighted Average Exercise Price
Warrants outstanding at March 31, 2025	235,711	$ 29.89 – 46.40	$ 35.54
Granted – represents warrants issued during the period	520,000	$ 9.00	$ 9.00
Prefunded	595,897	$ .0001	$ N/A
Exercised	(210,555)	$ 4.03	$ 4.03
Cancelled/Expired	(22,793)	$ 46.40	$ 46.40
Warrants outstanding at December 31, 2025 (excluding contingently issuable warrants)	1,118,260	$ 4.03 – 46.40	$ 6.48
Warrants subject to shareholder approval at December 31, 2025	1,435,127	$ 4.03 – 5.04	$ 4.05
Warrants exercisable at December 31, 2025	522,363	$ 9.00 – 46.40	$ 13.15

In connection with the Company's PIPE Offering, the Company issued Common Warrants, Pre-Funded Warrants, Placement Agent Warrants and Inducement Warrants to purchase an aggregate 1,435,127 shares of common stock. The issuance and exercisability of these warrants are subject to stockholder approval in accordance with Nasdaq Listing Rule 5635. As of December 31, 2025, such stockholder approval had not been obtained, and as such these warrants were not exercisable and are considered contingently issuable. Accordingly, these warrants are excluded from warrants outstanding and exercisable as of December 31, 2025 and will be issued only upon receipt of such stockholder approval.

The Common Warrants, Placement Agent Warrants, Inducement Warrants and Pre-Funded warrants issued in the PIPE Offering may not be exercised for cash unless a registration statement covering the shares issuable upon exercise has been declared effective by the SEC. The Company has agreed to use commercially reasonable efforts to cause such registration statement to become effective within 45 days following the closing of the offering. As of December 31, 2025, such registration statement had not yet been declared effective.

The Pre-Funded Warrants have a nominal exercise price and are therefore presented separately from traditional warrants. The weighted-average exercise price excludes the Pre-Funded Warrants.

10. COMMITMENTS AND CONTINGENCIES

LEASE COMMITMENTS

Office, Lab and Manufacturing Space Leases

In December 2020, we entered into an agreement to lease approximately 2,823 square feet of office space and 1,807 square feet of laboratory space located at 11555 Sorrento Valley Road, Suite 203, San Diego, California 92121 and 11575 Sorrento Valley Road, Suite 200, San Diego, California 92121, respectively. The agreement carries a term of 63 months and we took possession of the office space effective October 1, 2021. We took possession of the laboratory space effective January 1, 2022. In October 2021, we entered into another lease for approximately 2,655 square feet of space to house our manufacturing operations located at 11588 Sorrento Valley Road, San Diego, California 92121. The term is for 55 months and we took possession of the manufacturing space in August 2022. The current monthly base rent under the office and laboratory component of the lease is $14,788. The current monthly base rent under the manufacturing component of the lease is $13,195. Cash paid in the three months ended December 31, 2025 for amounts included in the measurement of operating lease liabilities in operating cash flows was $83,950.

The office, lab and manufacturing leases are coterminous with a remaining term of 15 months. The weighted average discount rate is 4.25%.

As of our December 31, 2025 balance sheet, we have an operating lease right-of-use asset of $382,583 and operating lease liability of $417,522.

In connection with the lease agreements for our office, lab, and manufacturing space, we were required to provide financial assurance to the landlord in lieu of a traditional security deposit. To satisfy this requirement, we initially arranged for our former bank to issue two standby letters of credit (L/Cs) totaling $87,506 — $46,726 in fiscal year 2021 for the office and lab space, and $40,780 in fiscal year 2022 for the manufacturing space. Equivalent funds were transferred into restricted certificates of deposit to secure the bank's risk.

Following the transition of our banking relationship to JPMorgan Chase, the L/Cs were replaced with an interest-bearing money market deposit account. As of December 31, 2025, we maintained a restricted cash balance of $98,709 in this account, which includes a $5,000 buffer above the required security amount. This balance continues to support our lease obligations and is classified as restricted cash on our balance sheet.

Overall, our rent expense, which is included in general and administrative expenses, was approximately $108,000 for the three months ended December 31, 2025. Rent expense for the three-month period ending December 31, 2024 was approximately $106,000.

For the nine months ended December 31, 2025, rent expense totaled approximately $357,000. This amount includes a nonrecurring charge of $33,305 related to a forfeiture of a deposit of a previously rented mobile clean room. Excluding this one-time item, recurring rent expense was approximately $324,000 compared to approximately $317,000 for the nine months ended December 31, 2024.

In January 2025, the Company entered into a short-term premium financing agreement with FIRST Insurance Funding, a division of Lake Forest Bank & Trust Company, N.A., to finance a portion of its Directors & Officers (D&O) and other insurance premiums. The total amount financed under the agreement was approximately $220,984, with an associated finance charge of approximately $9,995, resulting in a total repayment obligation of approximately $230,979. The loan, which was secured by a first priority security interest in the financed insurance policies, including unearned premiums, dividends, credits, and certain loss payments, was repaid in full as of December 31, 2025.

LEGAL MATTERS

We may be involved from time to time in various claims, lawsuits, and/or disputes with third parties or breach of contract actions incidental to the normal course of our business operations. We are currently not involved in any litigation or any pending legal proceedings.

11. RECEIVABLE FROM AUSTRALIAN RESEARCH AND DEVELOPMENT TAX INCENTIVE (R&DTI)

During the three months ended September 30, 2025, we submitted a tax return to the Australian tax authorities covering our research and development operations in Australia related to our clinical trial in that country under the R&DTI program. In October 2025, we received a payment under the R&DTI of Australian $330,179, which was the equivalent of US $218,314. The US $218,314 was previously recorded as a receivable on our September 30, 2025 balance sheet and as a reduction to general and administrative expenses. As of December 31, 2025, this receivable has been fully collected.

12. SEGMENT REPORTING

The Company operates as a single operating and reportable segment, which reflects how the Chief Operating Decision Maker (CODM), the Company's Chief Executive Officer, manages the business and allocates resources. The Company is a development-stage medical technology company focused on advancing a clinical-stage therapeutic device, with key operational decisions driven by cash availability, development milestones, and the expected return on investment associated with future manufacturing and commercialization efforts.

Although the Company does not generate commercial revenue, the CODM regularly reviews certain expense categories and cash flow metrics to monitor progress and inform resource allocation. The primary internal performance measure used by the CODM is cash used in operating activities, rather than traditional profit or loss metrics.

In accordance with ASU 2023-07, which the Company adopted for the fiscal year ended March 31, 2025. The following table summarizes key financial information reviewed by the CODM to evaluate operating performance and cash utilization. All amounts presented exclude the Australian R&D tax incentive credit of approximately $218,000.

Category	**Three Months Ended**		**Nine Months Ended**	
	December 31, 2025	**December 31, 2024**	**December 31, 2025**	**December 31, 2024**
Research and development[1]	$ 532,000	$ 240,000	$ 1,540,000	$ 884,000
General and administrative[2]	$ 742,000	$ 816,000	$ 2,216,000	$ 2,525,000
Cash used in operating activities[3]	$ 1,878,000	$ 2,011,000	$ 5,250,000	$ 5,973,000

Amounts in this table are rounded to the nearest thousand.

[1] Research and development expenses primarily include costs related to laboratory operations, clinical trial execution, investigational device testing, design iterations, and personnel expenses associated with research activities. These costs are recorded within payroll, professional fees, and general and administrative ("G&A") expense on the face of the statements of operations, as the Company does not maintain a separate R&D line item.

[2] General and administrative expenses encompass overhead, administrative costs associated with clinical trial operations, and certain manufacturing-related costs. R&D costs are included within these categories for financial reporting purposes and are not separately reclassified.

[3] Cash used in operating activities is the key internal performance metric tracked by the CODM to evaluate development progress, cash needs, and investment strategy in the absence of commercial revenue.

The Company does not allocate assets to operating segments, nor does the CODM evaluate performance using a segment profit or loss measure. There were no changes in the internal reports provided to or reviewed by the CODM during the periods presented.

Entity-Wide Information

- The Company did not recognize revenue during the nine months ended December 31, 2025.
- All long-lived assets are located in the United States.
- A significant portion of clinical trial activity is conducted through the Company's wholly owned subsidiary in Australia.

13. SUBSEQUENT EVENTS

To date in 2026, the first two participants have been treated in Cohort 2 of our ongoing safety, feasibility and dose-finding clinical trial evaluating the Hemopurifier® in cancer patients with solid tumors who have stable or progressive disease during anti-PD-1 monotherapy treatment, such as Keytruda® (pembrolizumab) or Opdivo® (nivolumab). Cohort 2 is designed to further evaluate the safety and feasibility of administering the Hemopurifier® at varying dosing intervals. The primary endpoint of the approximately nine to 18-patient trial is safety. The Company expects to continue enrollment and treatment of additional patients as the trial progresses.

In January 2026, the Company entered into a short-term premium financing agreement with FIRST Insurance Funding, a division of Lake Forest Bank & Trust Company, N.A., to finance a portion of its Directors & Officers (D&O) and other insurance premiums. The total amount financed under the agreement was approximately $220,984, with an associated finance charge of approximately $9,218, resulting in a total repayment obligation of approximately $230,202. The loan is by a first priority security interest in the financed insurance policies, including unearned premiums, dividends, credits, and certain loss payments.

On January 7, 2026, the Company filed a Registration Statement on Form S-1 (File No. 333-292598) with the Securities and Exchange Commission, which was declared effective January 16, 2026, for the resale, from time to time, of up to an aggregate 2,031,024 shares of the Company's common stock**.** The shares covered by the registration statement consist of shares issuable upon the exercise of Common Warrants Pre-Funded Warrants, Inducement Warrants, and Placement Agent Warrants that were issued in connection with a the PIPE Offering. On January 22, 2026, the Company entered into an amendment to the Securities Purchase Agreement and Pre-Funded Warrant executed in connection with the PIPE Offering, making the 595,897 Pre-Funded Warrants exercisable immediately, subject to registration requirements. As of February 11, 2026 the warrant holders had exercised 341,897 Pre-Funded warrants for the agreed nominal exercise price..

The Company evaluates subsequent events and transactions that occur after the unaudited condensed consolidated financial statements date through the date that the unaudited condensed consolidated financial statements are issued. Based upon this statements' review, other than what is already disclosed, the Company did not identify any subsequent events that would have required adjustment or disclosure in the unaudited condensed consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion of our financial condition and results of operations should be read in conjunction with, and is qualified in its entirety by, the condensed consolidated financial statements and notes thereto included in Item 1 in this Quarterly Report on Form 10-Q. Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. For a complete discussion of forward-looking statements, see the section above entitled "Cautionary Notice Regarding Forward Looking Statements."

Overview

Aethlon Medical, Inc., or Aethlon, the Company, we or us, is a medical therapeutic company focused on developing the Hemopurifier® (HP), a clinical-stage immunotherapeutic device intended for applications in cancer, life-threatening viral infections, and organ transplantation and other areas of significant unmet needs. In human studies (168 sessions with 42 patients), the Hemopurifier was used safely and demonstrated the potential to remove enveloped viruses. In pre-clinical studies, the Hemopurifier has exhibited the capacity to remove harmful extracellular vesicles (EVs) and enveloped viruses from biological fluids, utilizing its proprietary lectin-based mechanism. These extracellular vesicles have been implicated in disease processes such as immune suppression and metastasis in cancer as well as in the progression of severe life-threatening infectious diseases. The U.S. Food and Drug Administration ("FDA") has designated the Hemopurifier as a "Breakthrough Device" for two independent indications:

- the treatment of individuals with advanced or metastatic cancer who are unresponsive to or intolerant of standard of care therapy, and with cancer types in which extracellular vesicles have been shown to participate in the development or severity of the disease; and

- the treatment of life-threatening viruses for which no approved therapies currently exist.

We are also evaluating the Hemopurifier's potential in additional clinical contexts based on its mechanism of action and preclinical findings.

Three clinical sites in Australia—Royal Adelaide Hospital in Adelaide, Pindara Private Hospital in the Gold Coast, and GenesisCare North Shore Hospital in Sydney—are currently open for enrollment in our safety, feasibility and dose-finding oncology trial in patients with solid tumors not responding to treatment including either Keytruda® or Opdivo®. This trial aims to enroll 9-18 patients.

In 2025, we completed the first of three planned cohorts, comprising three participants. Each of the three participants received a single 4-hour Hemopurifier treatment. The Data Safety Monitoring Board (DSMB), comprising independent medical experts in nephrology and oncology, reviewed the data from the initial cohort. Based on their evaluation, the DSMB found no safety concerns and confirmed that the Hemopurifier continues to demonstrate a favorable safety and tolerability profile. To date, no serious adverse events (SAEs) or Dose-Limiting Toxicities (DLTs) related to the Hemopurifier have been reported.

Following the DSMB review of the first cohort and their recommendation to proceed onto the second cohort, we began enrollment in the second Cohort 2. In this phase, participants receive two Hemopurifier treatments over a one-week period at the study's three active clinical sites in Australia. To date, we have treated two participants in Cohort 2 and are continuing to recruit additional participants

We previously planned a similar clinical trial in India and received formal approval from the Indian regulatory agency, the Central Drugs Standard Control Organization (CDSCO), on July 7, 2025. After reviewing extended timelines for site activation and trial execution, we decided to cancel the Indian trial to conserve resources and focus on the Australian oncology trial.

The Hemopurifier is designed to address life-threatening viral infections, particularly those involving highly glycosylated viruses for which there are no approved therapies. It has previously been used under FDA and international regulatory frameworks to treat individuals infected with HIV, hepatitis C, Ebola, and SARS-CoV-2. While our COVID-19 clinical trials in the U.S. and India were terminated due to low ICU enrollment, these programs provided real-world evidence of Hemopurifier use in critically ill patients. We maintain an open IDE for viral indications, preserving the ability to respond to future outbreaks or emerging pathogens.

In addition to ongoing clinical trials, we continue to explore potential new applications for the Hemopurifier through internal pre-clinical research and academic collaborations. During the first fiscal quarter of 2026, results of our pre-clinical ex-vivo study entitled "Ex Vivo Removal of CD41 positive platelet microparticles from Plasma by a Medical Device containing a Galanthus nivalis agglutinin (GNA) affinity resin" were made publicly available as a pre-print on bioRxiv. The study valuated the Hemopurifier's ability to bind and remove disease-relevant EVs, including those derived from platelets, which are implicated in cancer, autoimmune disease, and neurological disorders. The study demonstrated greater than 98% removal of platelet-derived EVs from healthy human plasma in a simulated clinical session.

In November 2025 we also made publicly available a separate pre-clinical preprint entitled "Increased mannosylation of extracellular vesicles in Long COVID plasma provides a potential therapeutic target for Galanthus nivalis agglutinin (GNA) affinity resin," which describes exploratory ex vivo laboratory research conducted in collaboration with the University of California, San Francisco Long COVID Clinic. This study examined EV characteristics in plasma samples from individuals with Long COVID. The findings have not been peer reviewed and are based on laboratory analysis rather than clinical studies.

These exploratory programs, together with our academic collaborations, are intended to inform potential future clinical indications and research directions, evaluate the broader applicability of the Hemopurifier platform, and may not be indicative of clinical outcomes.

We have sufficient inventory of Hemopurifiers to support our ongoing oncology trial in Australia as well as any near-term trial expansions. While FDA approval to begin manufacturing at our San Diego facility under our IDE supplement, we are still awaiting approval of a separate supplement to qualify an additional key component supplier and continue to work with the FDA on this process.

Successful outcomes of human trials will also be required by the regulatory agencies of certain foreign countries where we plan to market and sell the Hemopurifier. Some of our patents may expire before FDA approval or approval in a foreign country, if any, is obtained. However, we believe that certain patent applications and/or other patents issued to us more recently will help protect the proprietary nature of our Hemopurifier treatment technology.

We continue to monitor the impact of inflation, recent bank failures and ongoing geopolitical conflicts including the war in Ukraine and the military actions in Israel and the surrounding areas, on our business. Given the level of uncertainty regarding the duration and impact of these events on capital markets and the U.S. economy, we are currently unable to assess their full impact on our timelines and access to capital.

The Company was incorporated in Nevada on March 10, 1999. Our executive offices are located at 11555 Sorrento Valley Road, Suite 203, San Diego, California 92121. Our telephone number is (619) 941-0360. Our website address is www.aethlonmedical.com.

Our common stock is listed on the Nasdaq Capital Market under the symbol "AEMD."

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Exchange Act, and must file reports, proxy statements and other information with the SEC. The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding registrants, like us, which file electronically with the SEC.

RESULTS OF OPERATIONS

THREE MONTHS ENDED DECEMBER 31, 2025 COMPARED TO THE THREE MONTHS ENDED DECEMBER 31, 2024

Operating Expenses

Consolidated operating expenses for the three months ended December 31, 2025 were approximately $2,062,000 compared to $1,815,000 for the three months ended December 31, 2024. This increase of $247,000, or 13.6%, in the 2025 period was due to an increase of approximately $367,000 in payroll, which was partially offset by a $75,000 decrease in general and administrative expenses and $44,835 decrease in professional fees.

Payroll and related expenses increased by approximately $367,000, primarily due to bonus expense and related payroll taxes, partially offset by a decrease in stock-based compensation expense associated with options that became fully amortized. Other changes in payroll costs were not material.

General and administrative expenses decreased by approximately $75,000, primarily due to lower clinical trial expenses of approximately $57,000, reflecting the timing of trial-related activities and the impact of the previously disclosed decision to cancel the planned trial in India. Expenses also decreased by approximately $66,000 in supplies due to the timing of production-related activities and $12,000 in software subscription costs, largely due to a reduced number of software licenses. These decreases were partially offset by increases in regulatory and listing-related fees of approximately $37,000, insurance of approximately $15,000, largely related to medical coverage, and $7,000 of other expenses.

The approximate $45,000 decrease in professional fees for the three months ended December 31, 2025, was primarily due to a $45,000 decrease in investor relations expenses, reflecting prior year engagement of an investor relations firm with no comparable activities in the current period, and a $18,000 decrease in accounting fees, partially offset by an approximately $19,000 increase in legal and related fees, primarily associated with Nasdaq compliance.

Other Income, Net

Other income, primarily interest income, totaled $43,871 for the three months ended December 31, 2025 and $59,964 for the three months ended December 31, 2024 and is presented net of interest expense.

Net Loss

As a result of the changes in expenses noted above, our net loss increased to approximately $2,018,000 in the three months ended December 31, 2025 from approximately $1,755,000 in the three months ended December 31, 2024.

Basic and diluted loss attributable to common stockholders was ($2.45) for the three months ended December 31, 2025, compared to ($10.05) for the three-month period ended December 31, 2024.

NINE MONTHS ENDED DECEMBER 31, 2025 COMPARED TO THE NINE MONTHS ENDED DECEMBER 31, 2024

Operating Expenses

Consolidated operating expenses for the nine months ended December 31, 2025 were approximately $5,364,000 compared to approximately $7,337,000 for the nine months ended December 31, 2025. This decrease of approximately $1,973,000, or 26.9%, in the 2025 period was due to decreases in payroll and related expenses of approximately $1,085,000, general and administrative expenses of $527,000 and professional fees of $361,000.

The $1,085,000 decrease in payroll and related expenses was primarily due to an $826,000 charge in the prior period related to severance agreements and workforce reductions, a $432,000 decrease due to lower headcount, and a $125,000 reduction in stock-based compensation associated with reduced headcount and fully amortized options, partially offset by an approximately $300,000 increase in bonus expense.

General and administrative expenses decreased by approximately $527,000 for the nine months ended December 31, 2025, primarily reflecting lower clinical trial expenses of approximately $348,000, which includes the recognition of a $218,000 Australian R&D tax incentive and the impact of the previously disclosed decision to cancel the planned India trial. Expenses also benefited from decreases of approximately $137,000 related to the timing of production activities, $50,000 in insurance primarily due to medical and D&O coverage, $25,000 in software subscriptions, $17,000 in utilities, and $12,000 in depreciation, along with approximately $16,000 across other miscellaneous categories. These decreases were partially offset by higher rent of approximately $41,000 associated with a lost deposit on a previously rented mobile cleanroom and $38,000 in regulatory and listing-related fees.

Professional fees decreased by approximately $361,000, primarily reflecting a $268,000 reduction in investor relations expenses. Additional decreases included approximately $35,000 in contract labor for regulatory consulting, $34,000 in scientific consulting from completed projects, and $26,000 in accounting fees, partially offset by minor increases in other professional services.

Net Loss

As a result of the expense reductions described above, our net loss improved by approximately $1,865,993 decreasing from approximately $7,133,000 for the nine months ended December 31, 2024, to $5,267,203 for the nine months ended December 31, 2025.

Basic and diluted loss attributable to common stockholders was ($11.01) for the nine months ended December 31, 2025, compared to ($48.35) for the nine-month period ended December 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2025, we had a cash balance of $6,956,397 and working capital of $5,884,382. This compares to a cash balance of $5,501,261 and working capital of $4,050,514 at March 31, 2025.

We do not expect our existing cash as of December 31, 2025, to be sufficient to fund our operations for at least twelve months from the issuance date of these financial statements.

As we expand our activities, our overhead costs to support personnel, laboratory materials and infrastructure will increase and significant additional financing must be obtained to provide a sufficient source of operating capital. Should the financing we require to sustain our working capital needs be unavailable to us on reasonable terms, if at all, when we require it, we may be unable to support our research and our planned clinical trials. The failure to implement our research and clinical trials would have a material adverse effect on our ability to conduct planned clinical trials and commercialize our products.

Future capital requirements will depend upon many factors, including progress with pre-clinical testing and clinical trials, the number and breadth of our clinical programs, the time and costs associated with intellectual property protection and enforcement, regulatory and compliance obligations, the competitive landscape, and our ability to enter into strategic partnerships or other collaborative arrangements. We expect to continue to incur increasing negative cash flows and net losses for the foreseeable future.

Cash Flows

Cash flows from operating, investing and financing activities, as reflected in the accompanying Condensed Consolidated Statements of Cash Flows, are summarized as follows:

	(In thousands) For the nine months ended	
	December 31, 2025	December 31, 2024
Cash (used in) provided by:		
Operating activities	$ (5,248)	$ (5,973)
Investing activities	(2)	(2)
Financing activities	6,718	5,368
Effect of exchange rate changes on cash	(12)	(10)
Net change in cash and restricted cash	$ 1,456	$ (617)

NET CASH USED IN OPERATING ACTIVITIES. We used approximately $5,250,000 for the nine months ended December 31, 2025, compared to approximately $5,973,000 for the same period in 2024. The improvement of approximately $723,000 primarily reflects a lower net loss in the current period. This benefit was largely offset by changes in working capital, including decreases of approximately $577,000 in amounts due to related parties and $444,000 in accounts payable and other current liabilities, partially offset by a $7,000 decrease in prepaid expenses and other current assets. Additionally, approximately $129,000 of lower non-cash charges contributed to the offset, resulting in a total impact of approximately $1,143,000. Overall, the change in net cash used in operating activities reflects both the reduction in losses and the timing of working capital and non-cash items.

NET CASH PROVIDED BY FINANCING ACTIVITIES. During the nine months ended December 31, 2025, we raised approximately $6,728,000, net of placement agent fees and offering costs, primarily through a single transaction combining a PIPE financing with a warrant inducement as well as a separate registered offering, partially offset by approximately $10,000 used for tax withholding on restricted stock unit settlements. This represents an increase of approximately $1,350,000 compared to $5,368,000 provided by financing activities for the same period in the prior year.

Material Cash Requirements

We expect our clinical trial expenses for the planned oncology trial in Australia to increase for the foreseeable future. Those increases in clinical trial expenses include the cost of manufacturing additional Hemopurifiers.

In addition, we have entered into leases for our headquarters, laboratory and manufacturing facilities. We expect our rent payments to continue to increase for the foreseeable future.

Future capital requirements will depend upon many factors, including progress with pre-clinical testing and clinical trials, the number and breadth of our clinical programs, the time and costs involved in preparing, filing, prosecuting, maintaining and enforcing patent claims and other proprietary rights, the time and costs involved in obtaining regulatory approvals, competing technological and market developments, as well as our ability to establish collaborative arrangements, effective commercialization, marketing activities and other arrangements. We expect to continue to incur increasing negative cash flows and net losses for the foreseeable future. We will continue to need to raise additional capital either through equity and/or debt financing for the foreseeable future.

We do plan to access the equity markets for additional capital, however, there can be no assurance that we will be able to access such additional capital on favorable terms, or at all.

Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and disruptions to and volatility in the credit and financial markets in the United States, including due to bank failures, actual or perceived changes in interest rates and economic inflation, and worldwide resulting from macroeconomic factors. Because of the numerous risks and uncertainties associated with product development, we cannot predict the timing or amount of increased expenses and we may never be profitable or generate positive cash flow from operating activities.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, or GAAP, requires us to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. These estimates and assumptions affect the reported amounts of expenses during the reporting period. On an ongoing basis, we evaluate estimates and assumptions based upon historical experience and various other factors and circumstances. We believe our estimates and assumptions are reasonable in the circumstances; however, actual results may differ from these estimates under different future conditions.

We believe that the estimates and assumptions most critical to the portrayal of our financial condition and results of operations—because they involve the most difficult, subjective, or complex judgments—form the basis of our most critical accounting policies. These critical estimates relate to long-lived assets, stock-based compensation, the valuation allowance for deferred tax assets, contingencies, and clinical trial accruals.

There have been no changes to our critical accounting policies and estimates as disclosed in our Annual Report on Form 10-K for the year ended March 31, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a smaller reporting company, as defined by Item 10(f)(1) of Regulation S-K, we are not required to provide the information required by this item.

ITEM 4. CONTROLS AND PROCEDURES.

DISCLOSURE CONTROLS AND PROCEDURES

We maintain “disclosure controls and procedures” (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed, in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer (who is our principal executive officer and principal financial officer), to allow timely decisions regarding required disclosures.

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. We have carried out an evaluation as of the end of the period covered by this Quarterly Report under the supervision and with the participation of our management, including our Chief Executive Officer, who also serves as our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures.

Based on such evaluation, our Chief Executive Officer/Chief Financial Officer concluded that, as of the end of such period, our disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by us in the reports that we file or submit under the Exchange Act and are effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer/Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, claims are made against us in the ordinary course of business, which could result in litigation. Claims and associated litigation are subject to inherent uncertainties and unfavorable outcomes could occur, such as monetary damages, fines, penalties or injunctions prohibiting us from selling one or more products or engaging in other activities.

The occurrence of an unfavorable outcome in any specific period could have a material adverse effect on our results of operations for that period or future periods. We are not presently a party to any pending or threatened legal proceedings.

ITEM 1A. RISK FACTORS.

Other than disclosed herein, there have been no material changes to the risk factors previously disclosed under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2025 filed with the SEC on June 26, 2025, or Annual Report, and should be carefully considered, together with other information in this Quarterly Report on Form 10-Q and our other filings with the SEC before making investment decisions regarding our securities. The risks described in our Annual Report are not the only risks facing our company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results.

Inadequate funding for the FDA, other government agencies or comparable foreign regulatory authorities could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

Federal agencies in the United States are currently operating under a partial government shutdown that began on January 31, 2026, following the expiration of the most recent continuing resolution. Without appropriation of additional funding to federal agencies that have been effected, our business operations related to our clinical development activities for the U.S. market could be impacted. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated as a result. In addition, government funding of other government agencies or comparable foreign regulatory authorities on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA, other government agencies or comparable foreign regulatory authorities may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. Changes and cuts in FDA staffing also could result in delays in the FDA's responsiveness or in its ability to review IND submissions or applications, issue regulations or guidance, or implement or enforce regulatory requirements in a timely fashion or at all. There is also substantial uncertainty as to how regulatory reform measures being implemented by the current U.S. administration, and other political developments, such as the continued government shutdowns or work stoppages, would impact other U.S. regulatory agencies, such as the FDA, SEC and U.S. Patent and Trademark Office (USPTO), on which our operations rely. If a prolonged government shutdown, either full or partial occurs, it could significantly impact the ability of the FDA and USPTO to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, the continued government shutdown could impact our ability to access the public markets and obtain additional capital in the future in order to properly capitalize and continue our operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On December 5, 2025, the Company and an institutional investor (the "Purchaser") entered into a securities purchase agreement (the "Securities Purchase Agreement"), pursuant to which the Company agreed to issue to the Purchaser, in a private placement (the "PIPE Offering"), (i) 595,897 pre-funded warrants to purchase Common Stock ("Pre-Funded Warrants") and (ii) 1,042,820 warrants to purchase shares of Common Stock at an exercise price of $4.03 per share (the "Common Warrants"). The PIPE Offering closed on December 8, 2025 subject to customary conditions to closing. The Common Warrants are exercisable upon stockholder approval and expire five and one-half years following the stockholder approval date. The Company also issued warrants to purchase 23,836 shares of common stock (the "Placement Agent Shares") to the placement agent (the "Placement Agent Warrants"), pursuant to the Placement Agent Agreement dated December 5, 2025. The Placement Agent Warrants have an exercise price of $5.04 per share, and expire five and one half years from approval by the Company's stockholders. At the same time the Company entered into a warrant inducement agreement (the "Inducement Agreement") with the same Purchaser for certain outstanding common stock purchase warrants. Under the Inducement Agreement, the holder exercised existing warrants to purchase 210,555 shares of common stock at a reduced exercise price of $4.03 per share, and received 368,471 new warrants ("Inducement Warrants") to encourage participation in the PIPE. Both the modifications and new Inducement Warrants were made solely in connection with the PIPE Offering and are considered costs of obtaining financing. The Inducement Warrants are exercisable upon stockholder approval, have an exercise price of $4.03 per share, and expire five and one-half years following the stockholder approval date. Gross proceeds from the PIPE Offering and Inducement Agreement was approximately $3.3 million before placement agent fees and offering costs. The Company intends to use the net proceeds for working capital and general corporate purposes.

The securities issued in the PIPE Offering and Inducement Agreement were issued in a private placement exempt from registration under Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

Rule 10b5-1 Trading Plans

During the three months ended December 31, 2025, none of our directors or officers entered into, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," that were intended to satisfy the affirmative defense conditions of Rule 10b5-1, in each case as defined in Item 408 of Regulation S-K.

ITEM 6. EXHIBITS.

(a) Exhibits. The following documents are filed as part of this report:

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	SEC File No.	Exhibit Number	Date	
3.1	Articles of Incorporation, as amended	8-K	001-37487	3.1	September 19, 2022	
3.2	Amended and Restated Bylaws of the Company	8-K	001-37487	3.1	September 12, 2019	
3.3	Certificate of Change pursuant to NRS 78.209	8-K	001-37487	3.1	October 16, 2025	
4.1	Form of Common Stock Certificate	S-1	333-201334	4.1	December 31, 2014	
4.2	Form of Warrant to Purchase Common Stock	S-1/A	333-234712	4.14	December 11, 2019	
4.3	Form of Underwriter Warrant	S-1/A	333-234712	4.15	December 11, 2019	
4.4	Form of Common Stock Purchase Warrant	8-K	001-37487	4.1	January 17, 2020	
4.5	Form of Class A Warrant to Purchase Common Stock, issued on May 17, 2024	8-K	001-37487	4.1	May 17, 2024	
4.6	Form of Class B Warrant to Purchase Common Stock, issued on May 17, 2024	8-K	001-37487	4.2	May 17, 2024	
4.7	Form of Pre-Funded Warrant to Purchase Common Stock, issued on May 17, 2024	8-K	001-37487	4.3	May 17, 2024	
4.8	Form of Common Warrant to Purchase Common Stock issued on September 4, 2025	8-K	001-37487	4.1	September 9, 2025	
4.9	Form of Pre-Funded Warrant issued on September 4, 2025	8-K	001-37487	4.2	September 9, 2025	
4.10	Placement Agent Warrant issued September 4, 2025	8-K	001-37487	4.3	September 9, 2025	
4.11	Form of Warrant Agency Agreement with Computershare	S-1/A	333-289745	4.13	August 29, 2025	
4.12	Form of Common Warrant issued December 5, 2025	8-K	001-37487	4.1	December 8, 2025	
4.13	Form of Pre-Funded Warrant issued December 5, 2025	8-K	001-37487	4.2	December 8, 2025	

4.14	Amendment to Pre-Funded Warrant	8-K	001-37487	10.2	January 26, 2026	
10.1	Securities Purchase Agreement issued September 4, 2025	8-K	001-37487	10.1	September 9, 2025	
10.2	Placement Agency Agreement dated September 4, 2025	8-K	001-37487	10.2	September 9, 2025	
10.3	Placement Agency Agreement dated December 5, 2025	8-K	001-37487	1.1	December 8, 2025	
10.4	Form of Registration Rights Agreement dated December 5, 2025	8-K	001-37487	10.2	December 8, 2025	
10.5	Form of Warrant Inducement Agreement	8-K	001-37487	10.3	December 8, 2025	
10.6	Form of Securities Purchase Agreement between the Company and purchaser signatory thereto	8-K	001-37487	10.1	December 8, 2025	
10.7	Amendment to Securities Purchase Agreement between the Company and the purchaser signatory thereto	8-K	001-37487	10.1	January 26, 2026	
31.1	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.					X
32.1^	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350.					X
101.INS	Inline XBRL Instance Document with Embedded Linkbase Documents					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
104	Cover Page Interactive Data File (formatted in XBRL, and included in exhibit 101)					

^ The information in Exhibit 32.1 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act (including this Quarterly Report), unless the Registrant specifically incorporates the foregoing information into those documents by reference.

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 thereunto duly authorized.

AETHLON MEDICAL, INC.

Date: February 12, 2026

By: /s/ JAMES B. FRAKES
JAMES B. FRAKES
CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER
(PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER)

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James B. Frakes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aethlon Medical, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2026

/s/ JAMES B. FRAKES
JAMES B. FRAKES
CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
(PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO RULE 13a-14(b) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED AND SECTION 1350 OF CHAPTER 63 OF TITLE 18 OF THE UNITED STATES CODE (18 U.S.C. SECTION 1350), AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aethlon Medical, Inc., or the Registrant, on Form 10-Q for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof, I, James B. Frakes Chief Executive Officer and Chief Financial Officer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q, to which this Certification is attached as Exhibit 32.2, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

2. The information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: February 12, 2026

/s/ JAMES B. FRAKES
James B. Frakes
Chief Executive Officer and Chief Financial Officer
(Principal Executive and Financial Officer)
Aethlon Medical, Inc.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Aethlon Medical, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.