**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 March 31, 2026**

**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 001-41719**

**60 DEGREES PHARMACEUTICALS, INC.**
(Exact name of registrant as specified in its charter)

| **Delaware** | **45-2406880** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **1025 Connecticut Avenue NW Suite 1000 Washington, D.C. 20036** | **(202) 327-5422** |
| (Address of principal executive offices) (Zip Code) | (Registrant's telephone number, including area code) |

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $0.0001 per share | SXTP | The Nasdaq Stock Market LLC |
| Warrants, each warrant to purchase one share of Common Stock | SXTPW | The Nasdaq Stock Market LLC |

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 May 15, 2026, the registrant had a total of 2,659,288 shares of its common stock, par value $0.0001 per share, issued and shares outstanding.

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends impacting the financial condition of our business. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements.

Forward-looking statements include all statements that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expect," "intend," "seek," "plan," "anticipate," "believe," "estimate," "project," "predict," "potential," "might," "forecast," "continue," or the negative of those terms, and similar expressions and comparable terminology intended to reference future periods. Forward-looking statements include, but are not limited to, statements about:

- Our ability to effectively operate our business segment;
- Our ability to manage our research, development, expansion, growth and operating expenses;
- Our ability to evaluate and measure our business, prospects and performance metrics;
- Our ability to compete, directly and indirectly, and succeed in a highly competitive and evolving industry;
- Our ability to respond and adapt to changes in technology and customer behavior; and
- Our ability to protect our intellectual property and to develop, maintain and enhance a strong brand.

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. We cannot guarantee future results, levels of activity, performance or achievements. Accordingly, the forward-looking statements in this Quarterly Report should not be regarded as representations that the results or conditions described in such statements will occur or that our objectives and plans will be achieved, and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements.



## PART I - FINANCIAL INFORMATION

### ITEM 1. Consolidated Condensed Financial Statements

**60 DEGREES PHARMACEUTICALS, INC.**
**CONSOLIDATED CONDENSED BALANCE SHEETS**

| | March 31, 2026 (Unaudited) | December 31, 2025 |
|---|---|---|
| **ASSETS:** | | |
| Current Assets: | | |
| Cash and Cash Equivalents | $ 3,337,760 | $ 1,510,065 |
| Accounts Receivable | 335,836 | 509,644 |
| Prepaid and Other Assets | 1,676,270 | 978,131 |
| Short-Term Investments | - | 1,240,721 |
| Inventory (Note 3) | 910,603 | 656,924 |
| **Total Current Assets** | **6,260,469** | **4,895,485** |

| | | |
|---|---|---|
| Property and Equipment, net (Note 4) | 259,665 | 246,365 |
| Other Assets: | | |
| Intangible Assets, net (Note 5) | 243,212 | 224,361 |
| **Total Other Assets** | **243,212** | **224,361** |
| **Total Assets** | **$ 6,763,346** | **$ 5,366,211** |
| **LIABILITIES AND SHAREHOLDERS' EQUITY:** | | |
| Current Liabilities: | | |
| Accounts Payable and Accrued Expenses | $ 1,487,590 | $ 1,459,279 |
| SBA EIDL (including accrued interest) (Note 7) | 8,772 | 8,772 |
| Derivative Liabilities (Note 8) | 379,308 | 374,741 |
| **Total Current Liabilities** | **1,875,670** | **1,842,792** |
| Long-Term Liabilities: | | |
| SBA EIDL (including accrued interest) (Note 7) | 143,197 | 144,003 |
| **Total Long-Term Liabilities** | **143,197** | **144,003** |
| **Total Liabilities** | **2,018,867** | **1,986,795** |
| Commitments and Contingencies (Note 11) | | |
| **SHAREHOLDERS' EQUITY:** | | |
| Series A Preferred Stock, $0.0001 par value, 1,000,000 shares authorized; 76,480 and 76,480 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively (Note 6) | 9,567,439 | 9,567,439 |
| Common Stock, $0.0001 par value, 150,000,000 shares authorized; 2,636,788 and 1,163,142 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively (Note 6) | 264 | 116 |
| Additional Paid-in Capital | 45,095,267 | 41,646,139 |
| Accumulated Other Comprehensive Income | 148,540 | 142,598 |
| Accumulated Deficit | (49,982,329) | (47,893,115) |
| 60P Shareholders' Equity: | 4,829,181 | 3,463,177 |
| Noncontrolling Interest | (84,702) | (83,761) |
| **Total Shareholders' Equity** | **4,744,479** | **3,379,416** |
| **Total Liabilities and Shareholders' Equity** | **$ 6,763,346** | **$ 5,366,211** |

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



**60 DEGREES PHARMACEUTICALS, INC.**
**CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (UNAUDITED)**

| | For the Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Product Revenues – net of Discounts and Rebates | $ 162,092 | $ 163,552 |
| Cost of Revenues | 85,715 | 73,272 |
| Gross Profit | 76,377 | 90,280 |
| Research Revenues | - | 92,731 |
| Net Revenue | 76,377 | 183,011 |
| | | |
| Operating Expenses: | | |
| Research and Development | 281,464 | 370,813 |
| General and Administrative Expenses | 1,889,874 | 1,723,136 |
| Total Operating Expenses | 2,171,338 | 2,093,949 |
| | | |
| Loss from Operations | (2,094,961) | (1,910,938) |
| | | |
| Interest Expense | (1,389) | (1,790) |
| Change in Fair Value of Derivative Liabilities | (4,567) | 5,105 |
| Other Income, net | 10,762 | 30,322 |
| Total Interest and Other Income, net | 4,806 | 33,637 |
| Loss from Operations before Provision for Income Taxes | (2,090,155) | (1,877,301) |
| Provision for Income Taxes (Note 9) | - | - |
| Net Loss including Noncontrolling Interest | (2,090,155) | (1,877,301) |
| Net Loss – Noncontrolling Interest | (941) | (752) |
| Net Loss – attributed to 60 Degrees Pharmaceuticals, Inc. | (2,089,214) | (1,876,549) |
| | | |
| Comprehensive Loss: | | |
| Net Loss | (2,090,155) | (1,877,301) |
| Unrealized Foreign Currency Translation Gain (Loss) | 5,942 | (9,904) |
| Total Comprehensive Loss | (2,084,213) | (1,887,205) |
| | | |
| Net Loss – Noncontrolling Interest | (941) | (752) |
| Comprehensive Loss – attributed to 60 Degrees Pharmaceuticals, Inc. | (2,083,272) | (1,886,453) |
| | | |
| Cumulative Dividends on Series A Preferred Stock | (125,312) | (118,158) |

| | | |
|---|---|---|
| **Net Loss - attributed to common stockholders** | **$ (2,208,584)** | **$ (2,004,611)** |
| Net Loss per Common Share[1]: | | |
| Basic and Diluted | $ (1.28) | $ (6.25) |
| Weighted Average Number of Common Shares Outstanding[1] | | |
| Basic and Diluted | 1,725,758 | 320,890 |

(1) Prior periods presented have been adjusted to reflect the 1:4 reverse stock split on January 20, 2026.

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



**60 DEGREES PHARMACEUTICALS, INC.**
**CONSOLIDATED CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)**

| | For the Three Months Ended March 31, 2026 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Series A Preferred Stock | | Common Stock | | Additional Paid-In Capital | Accumulated Deficit | Accumulated Other Comprehensive Income | Total Shareholders' Equity Attributable to 60P | Noncontrolling Interest on Shareholders | Total Shareholders' Equity |
| | Shares | Amount | Shares | Amount | | | | | | |
| **Balance—December 31, 2025** | **76,480** | **$ 9,567,439** | **1,163,142** | **$ 116** | **$ 41,646,139** | **$ (47,893,115)** | **$ 142,598** | **$ 3,463,177** | **$ (83,761)** | **$ 3,379,416** |
| Issuance of common stock pursuant to ATM Offering, net of offering costs paid at closing and deferred offering costs (Note 6) | - | - | 1,473,708 | 148 | 3,369,604 | - | - | 3,369,752 | - | 3,369,752 |
| Share rounding adjustment for 1:4 Reverse Stock Split | - | - | (62) | - | - | - | - | - | - | - |
| Share-based compensation expense | - | - | - | - | 79,524 | - | - | 79,524 | - | 79,524 |
| Net foreign translation gain | - | - | - | - | - | | 5,942 | 5,942 | - | 5,942 |
| Net loss | - | - | - | - | - | (2,089,214) | - | (2,089,214) | (941) | (2,090,155) |
| **Balance— March 31, 2026 (unaudited)** | **76,480** | **$ 9,567,439** | **2,636,788** | **$ 264** | **$ 45,095,267** | **$ (49,982,329)** | **$ 148,540** | **$ 4,829,181** | **$ (84,702)** | **$ 4,744,479** |



**60 DEGREES PHARMACEUTICALS, INC.**
**CONSOLIDATED CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)**

| | For the Three Months Ended March 31, 2025 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Series A Preferred Stock | | Common Stock[1] | | Additional Paid-In Capital[1] | Accumulated Deficit | Accumulated Other Comprehensive Income (Loss) | Total Shareholders' Equity Attributable to 60P | Noncontrolling Interest on Shareholders | Total Shareholders' Equity |
| | Shares | Amount | Shares | Amount | | | | | | |
| **Balance—December 31, 2024** | **76,480** | **$ 9,567,439** | **141,749** | **$ 14** | **$ 34,860,633** | **$ (40,527,957)** | **$ 135,471** | **$ 4,035,600** | **$ (80,594)** | **$ 3,955,006** |
| Issuance of common stock and warrants pursuant to January 2025 Offering, net of offering costs paid at closing and deferred offering costs (Note 6) | - | - | 51,079 | 5 | 804,341 | - | - | 804,346 | - | 804,346 |
| Issuance of common stock and warrants pursuant to February 2025 Offering, net of offering costs paid at closing and deferred offering costs (Note 6) | - | - | 75,176 | 8 | 908,619 | - | - | 908,627 | - | 908,627 |
| Issuance of common stock upon exercise of Pre-Funded Warrants | - | - | 96,300 | 9 | 1,917 | - | - | 1,926 | - | 1,926 |
| Issuance of shares for annual performance bonuses, net of shares withheld for taxes | - | - | 3,953 | - | 103,544 | - | - | 103,544 | - | 103,544 |
| Share-based compensation expense | - | - | - | - | 142,645 | - | - | 142,645 | - | 142,645 |
| Net foreign translation loss | - | - | - | - | - | - | (9,904) | (9,904) | - | (9,904) |
| Net loss | - | - | - | - | - | (1,876,549) | - | (1,876,549) | (752) | (1,877,301) |
| Share rounding adjustment for 1:5 Reverse Stock Split | - | - | (7) | - | - | - | - | - | - | - |
| **Balance— March 31, 2025 (unaudited)** | **76,480** | **$ 9,567,439** | **368,250** | **$ 36** | **$ 36,821,699** | **$ (42,404,506)** | **$ 125,567** | **$ 4,110,235** | **$ (81,346)** | **$ 4,028,889** |

[1] Prior periods presented have been adjusted to reflect the 1:4 reverse stock split on January 20, 2026.

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



**60 DEGREES PHARMACEUTICALS, INC.**
**CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)**

| **For the Three Months Ended March 31,** | **2026** | **2025** |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net Loss | $ (2,090,155) | $ (1,877,301) |
| Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities: | | |
| Depreciation | 16,700 | 6,694 |

| | | |
|---|---|---|
| Amortization | 9,165 | 10,103 |
| Amortization of Capitalized Share-Based Payments | 44,578 | 44,118 |
| Share-Based Compensation under Equity Incentive Plan | 79,524 | 142,645 |
| Change in Fair Value of Derivative Liabilities | 4,567 | (5,105) |
| Change in Inventory Reserve | (251,677) | - |
| Changes in Operating Assets and Liabilities: | | |
| Accounts Receivable | 173,808 | (1,495) |
| Prepaid and Other Assets | (742,717) | 131,689 |
| Inventory | (2,002) | (330,474) |
| Accounts Payable and Accrued Liabilities | 11,735 | 261,905 |
| Accrued Interest, net | 4,915 | 19,855 |
| **Net Cash Used in Operating Activities** | **(2,741,559)** | **(1,597,366)** |
| | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Capitalization of Patents | - | (2,804) |
| Purchases of Fixed Assets | (30,000) | (2,678) |
| Acquisition of Intangibles | (11,440) | - |
| Maturities of Short-Term Investments | 1,235,000 | 1,708,000 |
| **Net Cash Provided by Investing Activities** | **1,193,560** | **1,702,518** |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Net Proceeds from ATM Offering | 3,369,752 | - |
| Net Proceeds from January 2025 Offering | - | 804,346 |
| Net Proceeds from February 2025 Offering | - | 908,627 |
| Shares Withheld for Net Share Settlement of Performance Bonuses | - | (18,000) |
| Proceeds from Exercise of Pre-Funded Warrants | - | 1,926 |
| **Net Cash Provided by Financing Activities** | **3,369,752** | **1,696,899** |
| | | |
| Effect of Exchange Rate Changes on Cash | 5,942 | (9,904) |
| | | |
| Change in Cash and Cash Equivalents | 1,827,695 | 1,792,147 |
| Cash and Cash Equivalents—Beginning of Period | 1,510,065 | 1,659,353 |
| **Cash and Cash Equivalents—End of Period** | **$ 3,337,760** | **$ 3,451,500** |
| | | |
| **NONCASH INVESTING/FINANCING ACTIVITIES** | | |
| Purchases of Fixed Assets included in Accounts Payable | $ - | $ 10,000 |
| Capitalized Patent Costs included in Accounts Payable | $ 16,576 | $ - |
| Gross Shares Issued for Annual Performance Bonuses | $ - | $ 121,544 |

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



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**60 DEGREES PHARMACEUTICALS, INC.**
**NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS**

## 1. NATURE OF OPERATIONS

60 Degrees Pharmaceuticals, Inc. was incorporated in Delaware on June 1, 2022 and merged on the same day with 60 Degrees Pharmaceuticals, LLC, a District of Columbia limited liability company organized on September 9, 2010 ("60P LLC"). 60 Degrees Pharmaceuticals, Inc. and its subsidiary (referred to collectively as the "Company", "60P", or "60 Degrees Pharmaceuticals") is a specialty pharmaceutical company that specializes in the development and marketing of new medicines for the treatment and prevention of infectious diseases. 60P achieved FDA approval of its lead product, ARAKODA® (tafenoquine), for malaria prevention, in 2018. Currently, 60P's pipeline under development covers development programs for vector-borne diseases utilizing three of the Company's future products: (i) new products that contain the Arakoda regimen of tafenoquine; (ii) new products that contain tafenoquine; and (iii) celgosivir and/or botanical extracts from Australian Chestnut Trees. The Company's headquarters are located in Washington, D.C., with a majority-owned subsidiary in Australia.

Since the Company's initial public offering in July 2023, its common stock has been listed and trades on The Nasdaq Capital Market under the symbol "SXTP," and tradeable warrants under the symbol "SXTPW."

**Risks and Uncertainties**

The Company is subject to risks common to companies in the biopharmaceutical industry including, but not limited to, the risks associated with developing product candidates and successfully launching and commercializing its drug/device combination products, the Company's ability to obtain regulatory approval of such products in the United States and other geography markets, the uncertainty of the broad adoption of its approved products by physicians and consumers, and significant competition.

In addition, higher rates of inflation have resulted in the U.S. Federal Reserve raising interest rates. Increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets, may further increase economic uncertainty and heighten these risks. Furthermore, if additional banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking

system and financial markets, the Company or its partners' ability to access existing cash, cash equivalents and investments may be threatened and could have a material adverse effect on the Company's business and financial condition, including the Company's ability to access additional capital on favorable terms, or at all, which could in the future negatively affect the Company's ability to pursue its business strategy.

**Going Concern**

The Company's future results are subject to substantial risks and uncertainties. Since its inception, the Company has not demonstrated the ability to generate enough revenues to date to cover operating expenses and has accumulated losses to date. At March 31, 2026, the Company had cash and cash equivalents totaling $3,337,760, as compared to cash and cash equivalents totaling $1,510,065 at December 31, 2025. During the three months ended March 31, 2026, the Company used cash of $2,741,559 in its operating activities. The Company's capital commitments over the next twelve months include interest and principal payments on the Company's debt arrangement of $8,772, $1,487,590 to satisfy accounts payable and accrued expenses, and $18,522 payable under its short-term lease arrangement. In addition, the Company is subject to certain royalty obligations based on future net product sales (See Note 11).

To date, the Company has funded its operations primarily with proceeds from sales of common stock and warrants for the purchase of common stock, sales of preferred stock, proceeds from the issuance of convertible debt and borrowings under loan and security agreements.

Continuation as a going concern is dependent upon the Company's ability to meet its financial requirements, raise additional capital, and achieve gross profitability from the Company's single marketed product. To achieve profitability, the Company expects it will need to raise additional capital to fund its activities relating to commercial support for its existing product and any future clinical research trials and operating activities. However, there can be no assurance that it will ever achieve or maintain profitability. Accordingly, there is no assurance that the Company will be able to obtain the additional capital necessary to fund its operations during the look-forward period. These conditions, among others, raise substantial doubt about the ability of the Company to continue as a going concern for one year from the date these consolidated condensed financial statements are issued.



Management plans to fund operations of the Company through third party and related party debt/advances, private placement of restricted securities and the issuance of stock in a subsequent offering until such a time as the business achieves profitability or a business combination may be achieved. However, there can be no assurance that the Company will be successful in raising additional capital or that such capital, if available, will be on terms that are favorable to the Company. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting the Company's ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the Company raises funds through collaborations, or other similar arrangements with third parties, it may have to relinquish valuable rights to its technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to the Company and/or may reduce the value of its common stock. If the Company is unable to raise additional funds through equity or debt financings when needed, it may be required to delay, limit, reduce or terminate its product development or future commercialization efforts or grant rights to develop and market its product candidates even if the Company would otherwise prefer to develop and market such product candidates itself.

Management has evaluated these conditions and its plans to mitigate them and concluded that, collectively, such plans do not alleviate the substantial doubt about the Company's ability to continue as a going concern for at least one year after the date these consolidated condensed financial statements are issued.

The consolidated condensed financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of obligations in the normal course of business, and do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation**

The financial statements of 60P and its subsidiary are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Company has prepared the accompanying consolidated condensed financial statements pursuant to the instructions to Form 10-Q and Article 8 of Regulation S-X of the Securities and Exchange Commission ("SEC"). These financial statements are unaudited and, in the opinion of management, all adjustments considered necessary for a fair presentation of the Company's financial position, results of operations, and cash flows have been included and are of a normal and recurring nature. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2026 due to various factors. These consolidated condensed financial statements should be read in conjunction with the audited consolidated financial statements and related notes thereto as of and for the years ended December 31, 2025 and 2024, included in the Company's annual report on Form 10-K, as filed with the SEC on March 30, 2026 (the "Annual Report"). Certain information, footnote disclosures, and significant accounting policies that would substantially duplicate the disclosures contained in the Annual Report have been omitted.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those estimates may be material. Significant estimates include the reserve for inventory, the fair value of derivative liabilities, and stock-based compensation.



**Reverse Stock Splits**

Following stockholder approval in November 2024, the Company effected a reverse stock split at a ratio of 1:5, which was effective as of February 4, 2025 (the "1:5 Reverse Stock Split"). Following stockholder approval in October 2025, the Company effected an additional reverse stock split at a ratio of 1:4 (the "1:4 Reverse Stock Split" and together with the 1:5 Reverse Stock Split, the "Reverse Stock Splits"). Beginning January 20, 2026, the common stock traded on The Nasdaq Capital Market on a split adjusted basis.

Proportional adjustments were made to the number of shares of common stock issuable upon exercise or conversion of the Company's equity awards, warrants, and other equity instruments convertible into common stock, as well as the respective exercise prices, if applicable, in accordance with the terms of the instruments. Unless otherwise noted, all references to numbers of shares of the Company's common stock and per share information presented in these consolidated condensed financial statements have been retroactively adjusted, as appropriate, to reflect the effects of the Reverse Stock Splits, including reclassifying an amount equal to the reduction in par value of common stock to additional paid-in capital.

**Concentrations**

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, short-term investments, accounts receivable, inventory purchases, and borrowings.

Significant customers represent any customer whose business makes up 10% of receivables or revenues. At March 31, 2026, significant customers represented 100% of receivables (consisting of one significant customer at 100%), and 97% of receivables at December 31, 2025 (consisting of three total customers and one significant customer). For the three months ended March 31, 2026, significant customers comprised 100% of total net product revenues (consisting of two total customers and two significant at 90% and 10%, respectively). For the three months ended March 31, 2025, 85% of total net product revenues (consisting of three total customers and one significant customer) were generated from significant customers.

Currently, the Company has exclusive relationships with distributors in Australia and Europe. A failure to perform by any of our current distributors would create disruption for patients in those markets.

Since the Company first started working on tafenoquine, all inventory has been acquired in a collaborative relationship from a sole vendor. Should the vendor cease to supply tafenoquine, it would take significant costs and efforts to rebuild the supply chain with a new sole vendor sourcing the active pharmaceutical ingredient ("API").

**Segment Information**

Since its inception, the Company operates and manages its business as a single identifiable segment, focused on the development and marketing of new medicines for the treatment and prevention of infectious diseases. The determination of a single business segment is consistent with the consolidated financial information regularly provided to the Company's chief operating decision maker ("CODM").

The Company's CODM is its Chief Executive Officer, who reviews and evaluates consolidated net income or loss for purposes of evaluating performance, making operating decisions, allocating resources, and planning and forecasting for future periods. The significant components of consolidated net income or loss regularly provided to the CODM include net product revenues and the significant expense categories presented in the accompanying consolidated condensed statements of operations and comprehensive loss (cost of revenues, research and development, and general and administrative expenses). These are presented at the consolidated level and used by the CODM to monitor budgeted versus actual results to make key operating decisions. The information and operating expense categories presented in the accompanying consolidated condensed statements of operations and comprehensive loss are fully reflective of the significant expense categories and amounts that are regularly provided to the CODM.



The measure of segment assets that is regularly reported to the CODM includes cash and cash equivalents and short-term investments, each as reported on the consolidated condensed balance sheets. Total consolidated cash and cash equivalents and short-term investments were $3,337,760 and $2,750,786 as of March 31, 2026 and December 31, 2025, respectively.

**Derivative Liabilities**

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic No. 480, *Distinguishing Liabilities from Equity* ("ASC 480"), and FASB ASC Topic No. 815, *Derivatives and Hedging* ("ASC 815"). The classification of derivative financial instruments is reassessed each reporting period. Derivative liabilities are adjusted to reflect fair value at each reporting period, with any increase or decrease in the fair value recorded in the results of operations, as a component of other income or expense as change in fair value of derivative liabilities. As of March 31, 2026, derivative liabilities consist of contingent payment arrangements. The Company uses a probability-weighted expected return method to determine the fair value of these instruments.

Upon conversion or repayment of a debt or equity instrument in exchange for equity shares, where the embedded conversion option has been bifurcated and accounted for as a derivative liability (generally convertible debt and warrants), the Company records the equity shares at fair value on the date of conversion, relieves all related debt, derivative liabilities, and unamortized debt discounts, and recognizes a net gain or loss on debt extinguishment, if any.

Equity or liability instruments that become subject to reclassification under ASC 815 are reclassified at the fair value of the instrument on the reclassification date.

**Equity-Classified Warrants**

As of March 31, 2026, the Company accounts for all outstanding warrants to purchase common stock as equity-classified instruments based on an assessment of the warrants' specific terms and applicable authoritative guidance in ASC 480 and ASC 815. This assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the respective issuance dates and as of each subsequent reporting period while the warrants are outstanding.

**Revenue Recognition**

The Company recognizes revenue in accordance with FASB ASC Topic No. 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenues are recognized when control is transferred to customers in amounts that reflect the consideration the Company expects to be entitled to receive in exchange for those goods. Revenue recognition is evaluated through the following five steps: (i) identification of the contract, or contracts, with a customer; (ii)

identification of the performance obligations in the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations in the contract; and (v) recognition of revenue when or as a performance obligation is satisfied. As part of the accounting for these arrangements, the Company may be required to make significant judgments, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each performance obligation.

Revenues from product sales are recorded at the net sales price, or "transaction price," which may include estimates of variable consideration that result from product returns. The Company determines the amount of variable consideration by using either the expected value method or the most-likely-amount method. The Company includes the unconstrained amount of estimated variable consideration in the transaction price, which reflects the amount for which it is probable that a significant reversal of cumulative revenue recognized will not occur. At the end of each subsequent reporting period, the Company re-evaluates the estimated variable consideration included in the transaction price and any related constraint, and if necessary, adjusts its estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis in the period of adjustment. Reserves are established for the estimates of variable consideration based on the amounts the Company expects to be earned or to be claimed on the related sales.



The Company receives the majority of its revenues from sales of its Arakoda product to resellers in the US and abroad. The Company records US commercial revenues as a receivable when our American distributor transfers shipped product to their title model for 60P. Foreign sales to both Australia and Europe are recognized as a receivable at the point product is shipped to the distributor. Historically, the shipments to Australia and Europe were further subject to profit sharing agreements for boxes sold to customers.

In addition to revenue from product sales, in 2025, the Company recognized research revenues associated with its contract with the United States Army Medical Material Development Activity (USAMMDA) for Arakoda supply chain upgrade support. Research revenue under this contract was recognized when the direct costs eligible for reimbursement are incurred, up to the maximum allowable amount. Our USAMMDA-funded activities were completed during the year ended December 31, 2025. Other research revenues consist of sales of clinical trial supplies, which are recognized at a point in time, and research rebates earned from the Australian Tax Authority, which are recognized over time as qualifying research activities in Australia are performed.

**Research and Development Costs**

The Company accounts for research and development costs in accordance with FASB ASC Subtopic No. 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, research and development costs are expensed as incurred. Accordingly, internal research and development costs are expensed as incurred. Prepayments for research and development services are deferred and amortized over the service period as the services are provided. Advance payments for specific materials, equipment, or facilities determined to have no alternative future use are initially deferred and recognized as research and development expense when the related goods are delivered.

The Company recorded $281,464 and $370,813 in research and development costs during the three months ended March 31, 2026 and 2025, respectively. The Company has also issued shares of common stock to nonemployees in exchange for research and development services. The Company recognizes prepaid research and development costs on the grant date, as defined in FASB ASC Subtopic No. 718, *Compensation - Stock Compensation*. See Note 10 for further details.

**Fair Value of Financial Instruments**

The carrying value of the Company's financial instruments included in current assets and current liabilities (such as cash, accounts receivable, accounts payable, and accrued expenses) approximate their fair value due to the short-term nature of such instruments.

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

**Level 1** - Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

**Level 2** - Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

**Level 3** - Unobservable inputs reflecting the Company's assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

The Company's financial instruments recorded at fair value on a recurring basis at March 31, 2026, and December 31, 2025 include the derivative liability associated with the contingent milestone payment due to Knight upon a future sale of Arakoda or a Change of Control, which is carried at fair value based on Level 3 inputs. The Company uses a probability-weighted expected return method to determine the fair value of the contingent milestone payment using significant inputs such as the timing and probability of discrete potential exit scenarios, forward interest rate curves, and discount rates based on implied and market yields. See Note 8 for more information on Derivative Liabilities.



Liabilities measured at fair value at March 31, 2026 and December 31, 2025 are as follows:

| | March 31, 2026 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Liabilities: | | | | |
| Derivative Liabilities | $ - | $ - | $ 379,308 | $ 379,308 |
| Total | $ - | $ - | $ 379,308 | $ 379,308 |

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Liabilities: | | | | |

| | | | | |
|---|---|---|---|---|
| Derivative Liabilities | $ - | $ - | $ 374,741 | $ 374,741 |
| Total | $ - | $ - | $ 374,741 | $ 374,741 |

There were no transfers of financial instruments between Level 1, Level 2, and Level 3 during the periods presented.

A rollforward of liabilities measured at fair value using Level 3 inputs for the three months ended March 31, 2026 and 2025 is presented in Note 8 – Derivative Liabilities.

**Assets and Liabilities Not Measured at Fair Value on a Recurring Basis**

In addition to assets and liabilities that are measured at fair value on a recurring basis, the Company also measures certain assets and liabilities at fair value on a non-recurring basis. The Company's non-financial assets, including Intangible Assets and Property and Equipment, are measured at fair value when there is an indication of impairment and the carrying amount exceeds the asset's projected undiscounted cash flows. These assets are recorded at fair value only when an impairment charge is recognized.

Certificates of deposit, classified as cash equivalents or short-term investments depending on the instrument's original time to maturity, are measured at amortized cost, which approximates fair value as of March 31, 2026 and December 31, 2025.

**Foreign Currency Transactions and Translation**

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated condensed financial statements of the Company are presented in US dollars, which is the functional currency of the Company and the presentation currency for the consolidated condensed financial statements.

For the purpose of presenting consolidated condensed financial statements, the assets and liabilities of the Company's foreign operations are mostly translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized as a component of other comprehensive income (loss) as unrealized foreign currency translation gain (loss).



Exchange rates along with historical rates used in these financial statements are as follows:

| | Average Exchange Rate | | | |
|---|---|---|---|---|
| | Three Months Ended March 31, | | As of | |
| Currency | 2026 | 2025 | March 31, 2026 | December 31, 2025 |
| 1 AUD = | 0.69USD | 0.63USD | 0.69USD | 0.67USD |

**Reclassifications**

Certain prior period interim amounts have been reclassified for consistency with the current period presentation. These reclassifications had no material effect on the consolidated condensed results of operations and comprehensive loss, shareholders' equity, or cash flows.

**Share-Based Payments**

On November 22, 2022, the Company adopted the 2022 Equity Incentive Plan also referred to as ("2022 Plan"). The 2022 Plan and related share-based awards are discussed more fully in Note 10.

The Company accounts for share-based payments in accordance with ASC Subtopic 718, *Compensation - Stock Compensation* ("ASC 718"). The Company measures compensation for all share-based payment awards granted to employees, directors, and nonemployees, based on the estimated fair value of the awards on the date of grant. For awards that vest based on continued service, the service-based compensation cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the awards. For service vesting awards with compensation expense recognized on a straight-line basis, at no point in time does the cumulative grant date value of vested awards exceed the cumulative amount of compensation expense recognized. The grant date is determined based on the date when a mutual understanding of the key terms of the share-based awards is established. The Company accounts for forfeitures as they occur.

The Company estimates the fair value of all stock option awards as of the grant date by applying the Black-Scholes option pricing model. The application of this valuation model involves assumptions, including the fair value of the common stock, expected volatility, risk-free interest rate, expected dividends and the expected term of the option. Due to the lack of a public market for the Company's common stock prior to the IPO and lack of company-specific historical implied volatility data, the Company has based its computations of expected volatility on the historical volatility of a representative group of public companies with similar characteristics of the Company, including stage of development and industry focus. The historical volatility is calculated based on a period of time commensurate with the expected term assumption. The Company generally uses the simplified method as prescribed by the SEC Staff Accounting Bulletin Topic 14, *Share-Based Payment*, to estimate the expected term for stock options, whereby, the expected term equals the midpoint of the weighted average remaining time to vest, vesting period and the contractual term of the options due to its lack of historical exercise data. For certain options granted out-of-the-money, the Company's best estimate of the expected term is the contractual term of the award. The risk-free interest rate is based on U.S. Treasury securities with a maturity date commensurate with the expected term of the associated award. The expected dividend yield is assumed to be zero as the Company has never paid dividends and has no current plans to pay any dividends on its common stock. The assumptions used in calculating the fair value of share-based awards represent management's best estimates and involve inherent uncertainties and the application of significant judgment.

Compensation expense for restricted stock units ("RSUs") with only service-based vesting conditions is recognized on a straight-line basis over the vesting period. Compensation cost for service-based RSUs is based on the grant date fair value of the award, which is the closing market price of the Company's common stock on the grant date multiplied by the number of shares awarded.

For awards that vest upon a liquidity event or a change in control, the performance condition is not probable of being achieved until the event occurs. As a result, no compensation expense is recognized until the performance-based vesting condition is achieved, at which time the cumulative compensation expense is recognized. Compensation cost related to any remaining time-based service for share-based awards after the liquidity-based event is recognized on a straight-line basis over the remaining service period.

For fully vested, nonforfeitable equity instruments that are granted at the date the Company and a nonemployee enter into an agreement for goods or services, the Company recognizes the fair value of the equity instruments on the grant date. The corresponding cost is recognized as an immediate expense or a prepaid asset and expensed over the service period depending on the specific facts and circumstances of the agreement with the nonemployee. See Note 10 for further details.



**Net Loss per Common Share**

Net Loss per Common Share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding during each period. The Company includes pre-funded warrants, which carry a nominal exercise price per share, in its computation of basic and diluted net loss per share beginning on the date of issuance. The cumulative dividends accrued on the Series A Preferred Stock during the period are reflected as an addition to net loss or a reduction of net income in determining basic and diluted net loss attributable to common stockholders.

As the Company reported a net loss for all periods presented, the calculation of diluted net loss per common share is the same as basic net loss per common share. Potentially dilutive securities, including stock options, RSUs, warrants and shares of Series A Preferred Stock on an as-converted basis, were excluded from the computation of diluted net loss per common share for all periods presented because their effect would have been antidilutive.

As a result of the Reverse Stock Splits, which were effective as of February 24, 2025 at a ratio of 1:5 and January 20, 2026 at a ratio of 1:4, all weighted average shares of common stock outstanding and net loss per common share calculations have been retroactively adjusted for all periods presented.

**Related Parties**

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

**Subsequent Events**

The Company considers events or transactions that occur after the balance sheet date, but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through May 15, 2026, which is the date the financial statements were issued. See Note 12.

**Recently Adopted and Issued Accounting Pronouncements**

From time to time, the FASB issues Accounting Standards Updates (“ASUs”) to amend the authoritative literature in the ASC. The Company regularly evaluates new ASUs to determine the impact that these pronouncements may have on the consolidated condensed financial statements. Other than the pronouncements listed below, the Company believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, or (iii) are not applicable to the Company’s consolidated condensed financial statements or related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (“ASU 2024-03”), which applies to all public business entities that file financial statements with the SEC. The amendments in this ASU require public business entities to disclose on an annual and interim basis, disaggregated information about certain income statement expense line items. The new standard is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact that ASU 2024-03 will have on its financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* (“ASU 2025-06”), which amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40. The amendments modernize the recognition and disclosure framework for internal-use software costs, removing the previous “development stage” model and introducing a more judgment-based approach. The ASU is effective for all entities for interim and annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact that ASU 2025-06 will have on its financial statements.

In September 2025, the FASB issued ASU 2025-07, *Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract* (“ASU 2025-07”). ASU 2025-07 adds a new scope exception from derivative accounting under ASC 815 for certain non-exchange-traded contracts with customers with an underlying that is based on operations or activities specific to one of the parties to the contract. Further, ASU 2025-07 clarifies that an entity should apply the guidance in ASC 606 to a contract with stock-based noncash consideration. The ASU is effective for annual periods beginning after December 15, 2026 and interim periods within those annual periods, with early adoption permitted. The Company is currently evaluating the impact that ASU 2025-07 will have on its financial statements.



**3. INVENTORY**

Inventory consists of the following major classes:

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Raw Material (API) | $ 75,662 | $ 75,662 |
| Work in Process | 113,414 | 446,957 |
| Finished Goods | 721,527 | 385,982 |
| Total Inventory | 910,603 | 908,601 |
| Reserve for Expiring Inventory | - | (251,677) |
| **Inventory** | **$ 910,603** | **$ 656,924** |

The Company regularly monitors its inventory levels to identify inventory that may expire or has a cost basis in excess of its estimated net realizable value, and records write-downs for inventory that has expired, inventory that has a cost basis in excess of its expected net realizable value, and inventory in excess of expected sales requirements. Any write-downs of inventories are charged to cost of revenues in the consolidated condensed statements of operations and comprehensive loss. During the three months ended March 31, 2026 and 2025, write downs for expired inventory were $3,496 and $35, respectively.

**4. PROPERTY AND EQUIPMENT**

Property and Equipment, net consists of:

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Lab Equipment | $ 396,791 | $ 366,791 |
| Machinery | 55,800 | 55,800 |
| Computer Equipment | 11,598 | 11,598 |
| Furniture | 3,030 | 3,030 |
| Property and Equipment, at cost | 467,219 | 437,219 |
| Accumulated Depreciation | (207,554) | (190,854) |
| **Property and Equipment, net** | **$ 259,665** | **$ 246,365** |

Depreciation expense for the three months ended March 31, 2026 and 2025 was in the amount of $16,700 and $6,694, respectively.

**5. INTANGIBLE ASSETS**

Intangible Assets, net consists of:

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Patents | $ 224,004 | $ 207,428 |
| Website Development Costs | 143,062 | 131,622 |
| Intangible Assets, at cost | 367,066 | 339,050 |
| Accumulated Amortization | (123,854) | (114,689) |
| **Intangible Assets, net** | **$ 243,212** | **$ 224,361** |

During the three months ended March 31, 2026 and 2025, the Company capitalized website development related costs of $11,440 and $0, respectively, in connection with the upgrade and enhancement of functionality of the corporate website at www.60degreespharma.com. Amortization expense for the three months ended March 31, 2026 and 2025, was in the amount of $9,165 and $10,103, respectively. During the three months ended March 31, 2026 and 2025 there were no write-downs for expired or obsolete patents.

The following table summarizes the estimated future amortization expense for our patents and website development costs as of March 31, 2026:

| Period | Patents | Website Development Costs |
|---|---|---|
| 2026 (remaining nine months) | $ 5,550 | $ 17,663 |
| 2027 | 7,400 | 15,467 |
| 2028 | 7,400 | 11,358 |
| 2029 | 7,400 | 282 |
| 2030 | 7,400 | - |
| Thereafter | 31,780 | - |
| **Total** | **$ 66,930** | **$ 44,770** |

The Company has recorded $131,512 in capitalized patent expenses that will become amortizable as the patents they are associated with are awarded.



**6. STOCKHOLDERS' EQUITY**

Pursuant to the Certificate of Incorporation of 60 Degrees Pharmaceuticals, Inc., the Company's authorized shares consist of (a) 150,000,000 shares of common stock, par value $0.0001 per share and (b) 1,000,000 shares of preferred stock, par value $0.0001 per share, of which 80,965 have been designated as Series A Non-Voting Convertible Preferred Stock ("Series A Preferred Stock"). As of March 31, 2026, 2,636,788 shares of Common Stock and 76,480 shares of Series A Preferred Stock are issued and outstanding.

Following stockholder approval in November 2024, on February 18, 2025, the Company filed an Amendment to the Certificate of Incorporation with the Secretary of State of Delaware to effect the 1:5 Reverse Stock Split of the issued and outstanding shares of the Company's common stock, which was effective as of February 24, 2025. As of the effective time of the 1:5 Reverse Stock Split, every five (5) issued and outstanding shares of the Company's common stock were automatically combined and converted into one (1) issued and outstanding share of the Company's common stock, reducing the number of shares of common stock outstanding from 7,364,554 shares to 1,472,891 shares (not including the effects of the 1:4 Reverse Stock Split discussed below). No fractional shares of common stock were issued in connection with the 1:5 Reverse Stock Split. All fractional shares were rounded up to the nearest whole share with respect to outstanding shares of common stock.

Following stockholder approval in October 2025, on January 14, 2026, the Company filed an additional Amendment to the Certificate of Incorporation with the Secretary of State of Delaware to effect the 1:4 Reverse Stock Split of the issued and outstanding shares of the Company's common stock, which was effective as of January 20, 2026. As of the effective time of the 1:4 Reverse Stock Split, every four (4) issued and outstanding shares of the Company's common stock were automatically combined and converted into one (1) issued and outstanding share of the Company's common stock, reducing the number of shares of common stock outstanding from 5,436,441 shares to 1,359,091 shares. No fractional shares of common stock were issued in connection with the 1:4 Reverse Stock Split. All fractional shares were rounded up to the nearest whole share with respect to outstanding shares of common stock.

The Reverse Stock Splits did not change the authorized number of shares of common stock or preferred stock, the par value of the common stock, or the number of issued and outstanding shares of Series A Preferred Stock. All references to numbers of shares of the Company's common stock and per share information in these consolidated condensed financial statements have been retroactively adjusted, as appropriate, to reflect the Reverse Stock Splits, including reclassifying an amount equal to the reduction in par value of common stock to additional paid-in capital.

**Common Stock**

*January 2025 Offering*

On January 28, 2025, the Company entered into a securities purchase agreement with certain institutional investors pursuant to which the Company sold, in a registered direct offering priced at-the-market under the rules of Nasdaq, an aggregate of 51,079 shares of common stock at a purchase price of $20.42 per share. The shares were offered pursuant to a "shelf" registration statement on Form S-3 (Registration No. 333-280796). In a concurrent private placement, the Company also issued to the investors unregistered warrants (the "January 2025 Warrants") to purchase up to an aggregate of 102,158 shares of common stock at an exercise price of $15.42 per share. The January 2025 Warrants are exercisable upon issuance, or January 30, 2025, and expire twenty-four months from the date of issuance, or January 30, 2027. The registered direct offering and concurrent private placement (together, the "January 2025 Offering") closed on January 30, 2025, resulting in net proceeds to the Company of approximately $804,346, after deducting the placement agent fees and other offering expenses paid by the Company.

As compensation for acting as the placement agent for the January 2025 Offering, in addition to certain cash fees, the Company issued H.C. Wainwright & Co., LLC (the "Placement Agent") warrants to purchase up to 3,833 shares of common stock at an exercise price of $25.53 (the "January 2025 Agent Warrants"). The January 2025 Agent Warrants were exercisable upon issuance and expire twenty-four months from the date of issuance.

*February 2025 Offering*

On February 5, 2025, the Company entered into a securities purchase agreement with certain institutional investors pursuant to which the Company sold, in a registered direct offering priced at-the-market under the rules of Nasdaq, an aggregate of 75,176 shares of the Company's common stock at a purchase price of $14.30 per share. In a concurrent private placement, the Company separately issued to the investors unregistered warrants to purchase up to an aggregate of 75,176 shares of common stock at an exercise price of $11.80 per share (the "February 2025 Warrants"). The February 2025 Warrants were immediately exercisable upon issuance and expire twenty-four months from the date of issuance. The registered direct offering and concurrent private placement (together, the "February 2025 Offering") closed on February 6, 2025, resulting in net proceeds to the Company of approximately $908,627, after deducting the placement agent fees and other offering expenses paid by the Company.

As compensation for acting as the placement agent for the February 2025 Offering, in addition to certain cash fees, the Company issued the Placement Agent warrants to purchase up to 5,640 shares of common stock at an exercise price of $17.88 (the "February 2025 Agent Warrants"). The February 2025 Agent Warrants were exercisable upon issuance and expire twenty-four months from the date of issuance.



*2025 ATM Agreement*

On September 5, 2025, the Company entered into an At-The-Market Sales Agreement (the "2025 ATM Agreement") with H.C. Wainwright & Co., LLC ("Wainwright") pursuant to which the Company was permitted offer and sell shares of its common stock from time to time for aggregate gross sales proceeds of up to $1,397,532 (the "2025 ATM Offering"). As compensation for acting as the sales agent for the 2025 ATM Offering, Wainwright was entitled to a commission of 3.0% of the gross proceeds from sales of shares in the 2025 ATM Offering.

The common stock sold under the 2025 ATM Agreement was issued and sold pursuant to the Company's shelf registration statement on Form S-3 and accompanying base prospectus (Registration Statement No. 333-280796), which was declared effective by the SEC on July 18, 2024, and a prospectus supplement dated September 5, 2025, relating to the offer and sale of the shares pursuant to the 2025 ATM Agreement.

Pursuant to the 2025 ATM Agreement, between January 1, 2026 and January 22, 2026, the Company sold an aggregate of 418,602 shares at a weighted average price per share of $2.07, generating net proceeds to the Company of $834,705, after deducting commissions and certain other offering expenses.

*2026 ATM Prospectus Supplement*

On March 2, 2026, the Company filed a prospectus supplement pursuant to Rule 424(b)(5), updating the amount it was permitted to offer and sell under the 2025 ATM Agreement to allow for additional gross sales proceeds of $1,308,000 (the "2026 ATM Prospectus Supplement"). The 2026 ATM Prospectus Supplement was subsequently amended on March 11, 2026 and March 13, 2026, to increase the maximum aggregate offering price by $981,000 and $565,000, respectively (the "2026 ATM Prospectus Supplement Amendments," and together with the 2026 ATM Prospectus Supplement the "2026 ATM Offering").

As compensation for acting as the sales agent for the 2026 ATM Offering, Wainwright was entitled to a commission of 3.0% of the gross proceeds from the sales of shares in the 2026 ATM Offering.

The common stock sold pursuant to the 2026 ATM Prospectus Supplement was issued and sold pursuant to the Company's shelf registration statement on Form S-3 and accompanying base prospectus (Registration Statement No. 333-280796), which was declared effective by the SEC on July 18, 2024, the prospectus supplement dated September 5, 2025, and the 2026 ATM Prospectus Supplement relating to the offer and sale of the shares pursuant to the 2025 ATM Agreement.

Between March 2, 2026 and March 25, 2026, the Company sold an aggregate of 1,055,106 shares at a weighted average price per share of $2.49 generating net proceeds to the Company of $2,535,047, after deducting commissions and certain other offering expenses.

Due to the decline in the Company's stock price, as of March 31, 2026, the Company did not have available capacity to sell additional shares under the 2025 ATM Agreement and related prospectus supplements based on the limitations of General Instruction I.B.6 of Form S-3, which restricts the aggregate market value of securities the Company may sell during any 12-month period to one-third of its public float. The Company's ability to resume sales under the 2025 ATM Agreement and related prospectus supplements will depend on future increases in the Company's stock price or the passage of time such that prior sales are no longer counted within the trailing 12-month measurement period.

*Warrant Exercises*

During the three months ended March 31, 2026 and 2025 the Company issued 0 and 96,300 shares of common stock upon the exercise of 0 and 96,300 pre-funded warrants, respectively, resulting in proceeds to the Company of $0 and $1,926, respectively.



**Common Stock Warrants**

As of March 31, 2026, the Company accounts for all issued and outstanding warrants to purchase common stock as equity-classified instruments based on the guidance in ASC 480 and ASC 815.

The following table presents a summary of the activity for the Company's equity-classified warrants during the three months ended March 31, 2026:

| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (Years) |
|---|---|---|---|
| Total outstanding, December 31, 2025 | 1,896,928 | $ 23.29 | 2.57 |
| Granted | - | - | - |
| Exercised | - | - | - |
| Forfeited | - | - | - |
| Expired | - | - | - |
| Total outstanding, March 31, 2026 | 1,896,928 | $ 23.29 | 2.32 |
| Total exercisable, March 31, 2026 | 1,896,928 | 23.29 | 2.32 |

The following table presents a summary of the activity for the Company's equity-classified warrants during the three months ended March 31, 2025:

| | Number of Warrants | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (Years) |
|---|---|---|---|
| Total outstanding, December 31, 2024[(1)] | 441,277 | $ 70.37 | 3.26 |
| Granted | 186,807 | 14.24 | 2.00 |
| Exercised | (96,300) | 0.02 | Indefinite |
| Forfeited | - | - | - |
| Expired | - | - | - |
| Total outstanding, March 31, 2025 | 531,784 | $ 63.39 | 2.60 |
| Total exercisable, March 31, 2025 | 531,784 | $ 63.39 | 2.60 |

(1) Weighted average remaining contractual life at December 31, 2024 excludes 96,300 Pre-Funded Warrants issued September 2024 that do not have a contractual expiration date, for which 0 warrants remain outstanding and exercisable at March 31, 2025.



**Series A Preferred Stock**

The holders of shares of Series A Preferred Stock have the rights, preferences, powers, restrictions, and limitations as set forth below.

*Voting Rights* - The holders of shares of Series A Preferred Stock are not entitled to any voting rights.

*Dividends* - From and after the date of issuance of any share of Series A Preferred Stock, cumulative dividends shall accrue, whether or not declared by the Board and whether or not there are funds legally available for the payment of dividends, on a daily basis in arrears at the rate of 6.0% per annum on the sum of the Liquidation Value (as defined below). Accrued dividends shall be paid in cash only when, as and if declared by the Board out of funds legally available therefor or upon a liquidation or redemption of the Series A Preferred Stock. On March 31 of each calendar year, any accrued and unpaid dividends shall accumulate and compound on such date, and are cumulative until paid or converted. Holders of shares of Series A Preferred Stock are entitled to receive accrued and accumulated dividends prior to and in preference to any dividend, distribution, or redemption on shares of Common Stock or any other class of securities that is designated as junior to the Series A Preferred Stock. During the three months ended March 31, 2026, dividends in the amount of $125,312 accrued on outstanding shares of Series A Preferred Stock ($118,158 during the three months ended March 31, 2025). As of March 31, 2026, cumulative dividends on outstanding shares of Series A Preferred Stock amount to $1,330,383. To date, the Company has not declared or paid any dividends.

*Liquidation Rights* - In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of shares of Series A Preferred Stock then outstanding will share ratably in any distribution of the remaining assets and funds of the Company with all other stockholders as if each share of Series A Preferred Stock had been converted by the Company to Common Stock as described below.

*Conversion Rights* - The Company has the right, in its sole discretion, to convert all or any portion of the outstanding shares of Series A Preferred Stock (including any fraction of a share), plus the aggregate accrued or accumulated and unpaid dividends thereon into a number of shares of Common Stock determined by (i) multiplying the number of shares to be converted by $100 per share, as adjusted for any stock splits, stock dividends, recapitalizations or similar transactions with respect to the Series A Preferred Stock (but unchanged as a result of the Reverse Stock Splits impacting the Company's common stock) (the "Liquidation Value"), (ii) plus all accrued and accumulated and unpaid dividends on such shares to be converted, and then (ii) dividing the result by the then-effective Conversion Price in effect, provided that such conversion would not result in the holders of shares of Series A Preferred Stock owning more than 19.9% of the outstanding shares of common stock on an as-converted basis. The "Conversion Price" is equal to the lesser of (a) the Liquidation Value, (b) the offering price per share of Common Stock in the Company's IPO, or $1,200 per share (as adjusted for the Reverse Stock Splits) or (c) the 10-day volume weighted average price per share of Common Stock, as reasonably determined by the Company.

**7. DEBT**

On May 14, 2020, the Company received COVID-19 EIDL lending from the U.S. Small Business Administration (SBA) in the amount of $150,000. The loan bears interest at an annual rate of 3.75% calculated on a monthly basis. Monthly payments of $731 were required beginning in November 2022, with a final balloon payment equal to the remaining principal due at the maturity date of October 12, 2050. The balance as of March 31, 2026 and December 31, 2025 was $151,969 and $152,775, respectively. The current maturity at March 31, 2026 is $8,772 and the long-term liability is $143,197 ($8,772 and $144,003 at December 31, 2025, respectively). The loan is collateralized by all tangible and intangible personal property of the Company. The Company is prohibited from accepting future advances under any superior liens on the collateral without the prior consent of SBA.

The current future payment obligations of the principal are as follows:

| Period | Principal Payments |
|---|---|
| 2026 (remaining nine months) | $ 403 |
| 2027 | 3,216 |
| 2028 | 3,323 |
| 2029 | 3,466 |
| 2030 | 3,598 |
| Thereafter | 136,024 |
| **Total** | **$ 150,030** |



**8. DERIVATIVE LIABILITIES**

In accordance with the provisions of ASC 815, derivative liabilities are initially measured at fair value at the commitment date and subsequently remeasured at each reporting period, with any increase or decrease in the fair value recorded in the results of operations included within other income (expense), net in the accompanying consolidated condensed statements of operations and comprehensive loss as the change in fair value of derivative liabilities.

As of March 31, 2026 and December 31, 2025, derivative liabilities consist of the contingent milestone payment due to Knight Therapeutics, Inc. ("Knight"), a former lender of the Company, as required by the Debt Conversion Agreement executed between the Company and Knight on January 9, 2023, as subsequently amended (the "Knight Debt Conversion Agreement"). Key points of this agreement were as follows:

- The Parties agreed to fix Knight's cumulative debt to the value as it stood on March 31, 2022, which consisted of principal and accumulated interest. As a result of the completion of the IPO, the cumulative outstanding principal as of March 31, 2022 converted to 4,619 shares of common stock (representing 19.9% ownership of the Company's common stock after giving effect to the IPO), and the entirety of the accumulated interest as of March 31, 2022 converted into 80,965 shares of Series A Preferred Stock, in full satisfaction of the Company's obligations with respect to the outstanding principal and accumulated interest.

- The Parties agreed that the Company will make a milestone payment of $10 million to Knight if, after the IPO, the Company sells Arakoda™ or if a Change of Control (as per the definition included in the original loan agreement dated on December 10, 2015) occurs, provided that the purchaser of Arakoda™ or individual or entity gaining control of the Borrower is not the Lender or an affiliate of the Lender.

- For the period ending upon the earlier of (i) 10 years after the closing of the IPO, or (ii) the conversion or redemption in full of the Series A Preferred Stock, the Company will pay to Knight a royalty equal to 3.5% of the Company's net sales (the "Royalty") on a quarterly basis, where "Net Sales" has the same meaning as in the Company's license agreement with the U.S. Army for tafenoquine.

Upon consummation of the IPO, the Company concluded that the contingent milestone payment is a freestanding financial instrument that meets the definition of a derivative under ASC 815, and accordingly, the fair value of the derivative liability is marked to market each reporting period until settled. The Royalty due to Knight was determined to be an embedded component of the Series A Preferred Stock, however, is exempt from derivative accounting under the ASC 815 scope exception for specified volumes of sales or service revenues. Therefore, the Company accrues a royalty expense as sales are made.

The Company uses a probability-weighted expected return method to determine the fair value of the contingent milestone payment. The valuation model uses significant unobservable inputs (Level 3), incorporating management's assumptions regarding the timing and probability of discrete potential exit scenarios, forward interest rate curves, and a weighted average cost of capital based on implied and market yields to discount expected cash flows.

The valuation of the contingent milestone payment requires significant judgment and is sensitive to changes in assumptions related to the expected timing of payment, the likelihood of potential exit scenarios, and the selected discount rate. In developing these assumptions, management considers various qualitative and quantitative factors, including the anticipated progression toward clinical, commercial, and profitability milestones and the potential for a strategic transaction following achievement of each milestone. These factors are evaluated collectively to assess the probability-weighted timing of the contingent payment under each potential exit scenario reflected in the valuation. As of March 31, 2026 and December 31, 2025, the discount rates applied in the valuation were 13.00% and 12.49%, respectively.

Changes in any of the assumptions used in the valuation could result in a materially different fair value measurement and, as a result, could lead to materially different gains or losses recognized consolidated condensed statements of operations and comprehensive loss upon recurring remeasurement.

A reconciliation of the beginning and ending balances for the derivative liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows for the three months ended March 31, 2026:

| | Contingent Milestone Payment |
|---|---|
| Derivative liabilities - December 31, 2025 | $ 374,741 |
| Change in fair value | 4,567 |
| Derivative liabilities - March 31, 2026 | $ 379,308 |

A reconciliation of the beginning and ending balances for the derivative liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows for the three months ended March 31, 2025:

| | Contingent Milestone Payment |
|---|---|
| Derivative liabilities - December 31, 2024 | $ 640,830 |
| Change in fair value | (5,105) |
| Derivative liabilities - March 31, 2025 | $ 635,725 |

Changes in the fair value of derivative liabilities are included in other income in the accompanying consolidated condensed statements of operations and comprehensive loss. During the three months ended March 31, 2026 and 2025, the Company recorded a net (loss) gain on the change in the fair value of derivative liabilities of $(4,567) and $5,105, respectively.



**9. INCOME TAXES**

The Company did not record a federal income tax provision or benefit for the three months ended March 31, 2026 and 2025 due to taxable losses.

**10. SHARE-BASED COMPENSATION**

The following is a summary of share-based compensation expenses reported in the consolidated condensed statements of operations and comprehensive loss for the three months ended March 31, 2026 and 2025:

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Research and Development | $ 460 | $ - |
| General and Administrative Expenses | 123,642 | 186,763 |
| Total Share-Based Compensation Expense Included in Operating Expenses | $ 124,102 | $ 186,763 |

**Share-Based Compensation under 2022 Equity Incentive Plan**

On November 22, 2022, the Company adopted the 2022 Equity Incentive Plan (the "2022 Plan"), which provides for the grant of stock options, stock appreciation rights, restricted stock, restricted stock units and performance awards to eligible employees, directors and consultants, to be granted from time to time by the Board of Directors of the Company. To date, the Company has granted shares of common stock, restricted stock units, stock options to employees, nonemployees, and directors under the 2022 Plan. As of March 31, 2026, the number of remaining shares available for issuance under the 2022 Plan is equal to 95,284.

*Stock Options*

The Company grants stock options to employees, nonemployees, and directors with exercise prices equal to the closing price of the underlying shares of the Company's common stock on the Nasdaq Capital Market on the date that the options are granted. Options granted generally have a term of five to ten years

from the grant date and are subject to vesting as determined in the individual award agreement. The Company estimates the fair value of stock options on the grant date by applying the Black-Scholes option pricing valuation model.

There were no stock options granted during the three months ended March 31, 2026. During the three months ended March 31, 2025, Company granted a total of 30,000 stock options at a weighted average per share exercise price of $26.20. These options are subject to vesting annually in five equal tranches, with the first 20% tranche fully vested on the date of grant and thereafter, vest on the last date of each fiscal year beginning December 31, 2025. The weighted average grant date fair value of options granted during the three months ended March 31, 2025 was $18.20.



The following table summarizes the significant assumptions used in determining the fair value of options granted during the three months ended March 31, 2026 and 2025:

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Weighted-average grant date fair value | $ N/A | $ 18.20 |
| Risk-free interest rate | N/A | 4.36% |
| Expected volatility | N/A | 90.00 |
| Expected term (years) | N/A | 4.50 |
| Expected dividend yield | N/A | 0.00% |

For the three months ended March 31, 2026 and 2025, the Company recognized $79,524 and $142,645 of compensation expense related to stock option awards, respectively.

*Restricted Stock Units*

Compensation cost for service-based RSUs is based on the grant date fair value of the award, which is the closing market price of the Company's common stock on the grant date multiplied by the number of shares awarded.

On March 4, 2026, the Company entered into a consulting agreement with an external consultant to provide strategic advisory services. As consideration for such services, the consultant is entitled to receive equity compensation in the form of shares of the Company's common stock. These awards are accounted for as nonemployee share-based compensation under ASC 718. Pursuant to the agreement, the Company agreed to grant 20,000 restricted stock units ("RSUs") that vested in full on the effective date of the agreement, and an additional 2,500 RSUs for each month of service thereafter, provided the agreement remains in effect. The agreement has an initial term of 12 months and may be terminated at the Company's option upon seven days' prior notice. The shares vested during the three months ended March 31, 2026, plus the first monthly installment for April 2026, were issued in Q2 2026 (see Note 12 – Subsequent Events).

For the three months ended March 31, 2026, the Company granted 20,000 RSUs under this agreement with a grant date fair value of $2.27 per share, all of which vested in full on the grant date. The Company recognized stock-based compensation expense of $45,400 related to these vested RSUs during the three months ended March 31, 2026.

For the three months ended March 31, 2025, no RSUs were granted or vested, and the Company recognized no stock-based compensation expense related to RSUs.

**Share-Based Payments to Vendors for Services**

In 2023, the Company issued shares of common stock as share-based payments to certain vendors in exchange for services to be rendered to the Company in the future. For fully vested, nonforfeitable equity instruments that are granted at the date the Company and a nonemployee enter into an agreement for goods or services, the Company recognizes the fair value of the equity instruments as a prepaid asset on the grant date, as defined in ASC 718. The corresponding cost is expensed over the service period depending on the specific facts and circumstances of the agreement with the nonemployee. As of March 31, 2026, the remaining unamortized balance of prepaid assets related to these share-based payments for which the grant date criteria has been met is $151,309 ($195,887 at December 31, 2025), which is presented as a component of prepaid and other assets on the accompanying consolidated condensed balance sheets. Of this amount, $22,059 will be recognized ratably over the remaining service period through May 15, 2026. The remaining $129,250 will be recognized as the related research and development services are provided, which the Company estimates will occur within one year.

The agreements with the nonemployees do not include any provisions to claw back the share-based payments in the event of nonperformance by the nonemployees. Subject to applicable federal and state securities laws, the nonemployees can sell the received equity instruments.



## 11. COMMITMENTS AND CONTINGENCIES

**Leases**

The Company is a party to a single lease with CXI Corp for its office space located in Washington, DC, which was most recently renewed in December 2025 for an additional one-year term that expires on March 31, 2027. As the term of the office lease is 12 months, the lease is not recorded on the balance sheet. The Company recognizes lease expense on this lease as short-term lease costs. Short-term lease costs were in the amount of $5,534 and $4,967 for the three months ended March 31, 2026 and 2025.

**Board of Directors**

In November and December 2022, the Company signed agreements with four director nominees (Cheryl Xu, Paul Field, Charles Allen, and Stephen Toovey) which came into effect on July 11, 2023, the date the Company's Registration Statement was declared effective. Each director is entitled to receive

cash compensation of $11,250 quarterly. In addition, the two non-audit committee chairs (Toovey, Field) will receive $1,250 per quarter and the audit committee chair (Allen) will receive an additional $2,000 per quarter. In addition, each director is entitled to receive annual equity-based compensation awards, with the amounts and terms to be determined by the Compensation Committee.

**Contingencies**

The Company's operations are subject to a variety of local and state regulations. Failure to comply with one or more of those regulations could result in fines, restrictions on its operations, or losses of permits that could result in the Company ceasing operations.

**Contingent Compensation**

Following the Company's IPO and the conversion of the outstanding debt pursuant to the Knight Debt Conversion Agreement as discussed in Note 8, the Company is obligated to pay Knight a contingent milestone payment of $10 million if the Company sells Arakoda or if a Change of Control occurs. The Company accounts for the contingent milestone payment as a derivative liability (See Note 8).

On July 15, 2015, the Company entered into the Exclusive License Agreement with the U.S. Army Medical Materiel Development Activity (the "U.S. Army"), which was subsequently amended (the "U.S. Army Agreement"), in which the Company obtained a license to develop and commercialize the licensed technology with respect to all therapeutic applications and uses excluding radical cure of symptomatic vivax malaria. The term of the U.S. Army Agreement will continue until the expiration of the last to expire of the patent application or valid claim of the licensed technology, or 20 years from the start date of the U.S. Army Agreement, unless terminated earlier by the parties. The Company must make a minimum annual royalty payment of 3% of Net Sales (as defined in the U.S. Army Agreement) for Net Sales less than $35 million, and 5% of Net Sales greater than $35 million, with US government sales excluded from the definition of Net Sales. In addition, the Company must pay fees upon the achievement of certain milestones. The Company accrues the minimum annual royalty when the related sales occur. The achievement of the remaining milestones under the U.S. Army Agreement are not considered probable and thus no accruals for the related milestone payments have been made.

On December 20, 2024, the Company entered into a Patent License Agreement with Tufts Medical Center ("Tufts MC"), in which the Company obtained a license to research and commercialize the licensed technology with respect to the use of tafenoquine for treatment and/or prevention of babesiosis (the "Tufts MC Agreement"). The term of the Tufts MC Agreement will continue until the expiration or final abandonment of the last patent application or issued patent for the use of tafenoquine for treatment and/or prevention of babesiosis, unless terminated earlier by the parties. On the earlier of (x) the date of patent issuance or (y) the date of regulatory approval for the use of tafenoquine product in treatment of babesiosis, the Company must make royalty payments equal to 4% of Net Sales (as defined in the Tufts MC Agreement) for tafenoquine sold in a format labeled for use in the treatment of babesiosis or 2% of Net Sales for 60P products that are not sold in a format labeled for use in the treatment of babesiosis. In addition, for all sublicense revenue received by 60P from sales of sublicensed products, the Company must make royalty payments equal to 20% of the revenue received by the Company for sales of tafenoquine sold in a format labeled for use in the treatment of babesiosis or 10% for sales of tafenoquine that are not sold in a format labeled for use in the treatment of babesiosis. As of March 31, 2026, the royalty period has not commenced, thus no accruals have been made.

**Litigation, Claims and Assessments**

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business. As of March 31, 2026, there were no pending or threatened lawsuits that could reasonably be expected to have a material effect on the results of the Company's operations.



**12. SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through May 15, 2026, which is the date the financial statements were issued.

On April 23, 2026, pursuant to the consulting agreement described in Note 10, the Company issued 22,500 shares of common stock to the consultant, representing the initial 20,000 shares underlying the RSUs that vested on the effective date of the agreement, and the 2,500 shares underlying the RSUs granted in April 2026.

There have been no other events or transactions during this time which would have a material effect on these consolidated condensed financial statements.



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

The following discussion and analysis is intended as a review of significant factors affecting our financial condition and results of operations for the periods indicated. The discussion should be read in conjunction with our unaudited consolidated condensed financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q and the audited financial statements and the other information set forth in certain of our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 30, 2026. In addition to historical information, the following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results could differ significantly from those anticipated in these forward-looking statements as a result of certain factors discussed herein and any other periodic reports filed and to be filed with the SEC.

**Overview**

We are a specialty pharmaceutical company with a goal of using cutting-edge biological science and applied research to further develop and commercialize new therapies for the prevention and treatment of infectious diseases. We have successfully achieved regulatory approval of Arakoda® ("Arakoda"), a malaria preventative treatment that has been on the market since late 2019. Currently, 60P's pipeline under development covers development programs for vector-borne diseases utilizing three of the Company's future products: (I) new products that contain the Arakoda regimen of Tafenoquine; (ii) new products that contain Tafenoquine; and (iii) Australian Chestnut Extract and/or Celgosivir.

**Business Developments**

The following highlights significant business developments in our business during the quarter ended March 31, 2026:

- On January 22, 2026, we announced our partnership with Runway Health, a direct-to-patient telehealth platform, to expand pre-departure access to Arakoda for prevention of malaria among international travelers through the Runway Health travel medicine platform. The partnership with Runway Health commenced on April 15, 2026.
- On January 26, 2026, we exercised an option under our agreement with Florida State University ("FSU"), at no cost, to negotiate an exclusive license to use large-scale purification techniques to extract castanospermine from the seeds of *Castanospermum australe* (commonly known as the Australian Chestnut, the Moreton Bay Chestnut, and the Black Bean Tree). The full license agreement is being negotiated.
- On February 2, 2026, we commenced our partnership with GoodRx, the leading platform for prescription savings in the U.S., to offer eligible patients savings of up to 30% on Arakoda.
- On March 11, 2026, we announced that all three enrolled patients were cured of babesiosis after completing the tafenoquine regimen in the Company's trial of relapsing babesiosis in immunosuppressed patients.
- On March 11, 2026, we submitted a New Dietary Ingredient Notification (NDIN) to the U.S. Food and Drug Administration (FDA) for Australian Chestnut Extract. The FDA has until May 25, 2026, to object to the notification, after which the Company will be free to market our planned dietary supplement containing Australian Chestnut Extract.

***2025 ATM Agreement***

On September 5, 2025, we entered into an At-The-Market Sales Agreement (the "2025 ATM Agreement") with H.C. Wainwright & Co., LLC ("Wainwright") pursuant to which we were permitted to offer and sell shares of our common stock from time to time for aggregate sales proceeds of up to $1,397,532 (the "2025 ATM Offering"). As compensation for acting as the sales agent for the 2025 ATM Offering, Wainwright was entitled to a commission of 3.0% of the gross proceeds from sales of shares in the 2025 ATM Offering.

The common stock sold under the 2025 ATM Agreement was issued and sold pursuant to our shelf registration statement on Form S-3 and accompanying base prospectus (Registration Statement No. 333-280796), which was declared effective by the SEC on July 18, 2024, and a prospectus supplement dated September 5, 2025, relating to the offer and sale of the shares pursuant to the 2025 ATM Agreement.

Pursuant to the 2025 ATM Agreement, between January 1, 2026 and January 22, 2026, we sold an aggregate of 418,602 shares at a weighted average price per share of $2.07, generating net proceeds of $834,705, after deducting commissions and certain other offering expenses. We intend to use the net proceeds from the 2025 ATM Offering for general corporate purposes, including working capital, commercialization support for Arakoda, and funding our babesiosis clinical development programs.



***2026 ATM Prospectus Supplement***

On March 2, 2026, we filed a prospectus supplement pursuant to Rule 424(b)(5), updating the amount we were permitted to offer and sell under the 2025 ATM Agreement to allow for additional gross sales proceeds of $1,308,000 (the "2026 ATM Prospectus Supplement"). The 2026 ATM Prospectus Supplement was subsequently amended on March 11, 2026 and March 13, 2026, to increase the maximum aggregate offering price by $981,000 and $565,000, respectively (the "2026 ATM Prospectus Supplement Amendment," and together with the 2026 ATM Prospectus Supplement the "2026 ATM Offering").

As compensation for acting as the sales agent for the 2026 ATM Offering, Wainwright was entitled to a commission of 3.0% of the gross proceeds from the sales of shares in the 2026 ATM Offering.

The common stock sold pursuant to the 2026 ATM Prospectus Supplement was issued and sold pursuant to our shelf registration statement on Form S-3 and accompanying base prospectus (Registration Statement No. 333-280796), which was declared effective by the SEC on July 18, 2024, the prospectus supplement dated September 5, 2025, and the 2026 ATM Prospectus Supplement relating to the offer and sale of the shares pursuant to the 2025 ATM Agreement.

Between March 2, 2026 and March 25, 2026, we sold an aggregate of 1,055,106 shares at a weighted average price per share of $2.49 generating net proceeds of $2,535,047, after deducting commissions and certain other offering expenses. We currently expect to use the net proceeds from the 2026 ATM Offering for similar general corporate purposes, including supporting our sales and marketing initiatives and ongoing clinical and preclinical research.

Due to the decline in our stock price, as of March 31, 2026, we did not have available capacity to sell additional shares under the 2025 ATM Agreement and related prospectus supplements based on the limitations of General Instruction I.B.6 of Form S-3, which restricts the aggregate market value of securities we may sell during any 12-month period to one-third of our public float. Our ability to resume sales under the 2025 ATM Agreement and related prospectus supplements will depend on future increases in our stock price or the passage of time such that prior sales are no longer counted within the trailing 12-month measurement period.

***Reverse Stock Split and Nasdaq Delisting Notice***

On January 20, 2026, we received a notice from the Listing Qualifications Department of the Nasdaq Stock Market LLC ("Nasdaq") indicating that Nasdaq staff had determined to delist our common stock and warrants from The Nasdaq Capital Market because our common stock failed to maintain a minimum bid price of $1.00 per share for 30 consecutive business days, in violation of Nasdaq Listing Rule 5550(a)(2). Upon receipt of the notice, we paid $20,000 for the hearing fee and requested an appeal with Nasdaq, pursuant to the notice, which stayed the suspension of trading and the filing of the Form 25-NSE pending the Panel's decision.

At the 2025 Annual Stockholders Meeting in October 2025, our stockholders approved an amendment to our Certificate of Incorporation to effect a reverse stock split of our common stock at a range of ratios between 1:3 to 1:10, and on December 17, 2025, our Board of Directors approved the implementation

of the reverse stock split at a ratio of 1:4 (the "1:4 Reverse Stock Split"). Beginning January 20, 2026, our common stock traded on The Nasdaq Capital Market on a split adjusted basis.

Following the implementation of the 1:4 Reverse Stock Split, on February 11, 2026, we were notified by Nasdaq that we regained compliance with the minimum bid price requirement set forth in Nasdaq Listing Rule 5550(a)(2) and were therefore in compliance with the Nasdaq Capital Market's listing requirements. As a result, the hearing before the Nasdaq Hearings Panel scheduled for February 19, 2026 was cancelled and the matter was closed. Our common stock and warrants will continue to be listed and traded on The Nasdaq Capital Market.

The 1:4 Reverse Stock Split did not change the authorized number of shares of common stock or preferred stock. Proportional adjustments were made to the number of shares of common stock issuable upon exercise or conversion of our equity awards, warrants, and other equity instruments convertible into common stock, as well as the respective exercise prices, if applicable in accordance with the terms of the instruments. No fractional shares of common stock were issued in connection with the 1:4 Reverse Stock Split and all fractional shares were rounded up to the nearest whole share with respect to outstanding shares of common stock.

Unless otherwise noted, all references to numbers of shares of our common stock and per share information presented in this Quarterly Report on Form 10-Q have been retroactively restated, as appropriate, to reflect the effects of the 1:4 Reverse Stock Split.



**Liquidity and Capital Resources**

As of March 31, 2026, we had cash and cash equivalents of $3,337,760 ($1,510,065 as of December 31, 2025). For the three months ended March 31, 2026 and 2025, our net cash used in operating activities was $2,741,559 and $1,597,366, respectively. To date, we have financed our operations primarily through the issuance of common stock, warrants to purchase common stock, and proceeds from the issuance of convertible debt and promissory notes. Based on current internal projections, taking into consideration the net proceeds of approximately $4.3 million received from the July 2025 public offering and approximately $3.8 million in net proceeds received through the 2025 ATM Agreement and related prospectus supplements between October 2025 and March 2026, and excluding licensing and supply chain costs contingent on possible non-objection by FDA to our New Dietary Notification for Australian Chestnut Extract, we estimate that we will have sufficient funds to remain viable through mid-September, 2026, assuming no additional capital raises. However, based on our cash forecasts and planned operating expenditures, we do not currently have sufficient cash and cash equivalents to fund our operating plan for at least the next 12 months from the date of issuance of these financial statements, which raises substantial doubt about our ability to continue as a going concern. Our plans to address these conditions, which include additional equity financings and potential business development transactions, are not currently sufficient to alleviate this substantial doubt. We cannot give assurance that we can increase our cash balances or limit our cash consumption and thus maintain sufficient cash balances for our planned operations or future acquisitions. Future business demands may lead to cash utilization at levels greater than recently experienced. We may need to raise additional capital in the future. However, we cannot assure you that we will be able to raise additional capital on acceptable terms, or at all.

***Going Concern***

In their audit report for the fiscal year ended December 31, 2025, our auditors have expressed their concern as to our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our ability to generate cash flows from operations and obtain financing. The audited consolidated financial statements for the year ended December 31, 2025 included an explanatory note referring to our recurring operating losses and expressing substantial doubt in our ability to continue as a going concern.

Our future results are subject to substantial risks and uncertainties. Since our inception, we have not demonstrated the ability to generate enough revenues to date to cover operating expenses and we have accumulated losses to date. To date, we have funded our operations primarily with proceeds from sales of common stock and warrants for the purchase of common stock, sales of preferred stock, proceeds from the issuance of convertible debt and borrowings under loan and security agreements.

Continuation as a going concern is dependent upon our ability to meet our financial requirements, raise additional capital, and achieve gross profitability from our single marketed product. To achieve profitability, we expect we will need to raise additional capital to fund our activities relating to commercial support for our existing product and any future clinical research trials and operating activities. However, there can be no assurance that we will ever achieve or maintain profitability. Accordingly, there is no assurance that we will be able to obtain the additional capital necessary to fund our operations during the look-forward period. These conditions, among others, raise substantial doubt about our ability to continue as a going concern for one year from the date these financial statements are issued.

We plan to fund our operations through third party and related party debt/advances, private placement of restricted securities and the issuance of stock in a subsequent offering until such a time as the business achieves profitability or a business combination may be achieved. However, there can be no assurance that we will be successful in raising additional capital or that such capital, if available, will be on terms that are favorable to us. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, or other similar arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us and/or may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

We have evaluated these conditions and our plans to mitigate them and concluded that, collectively, such plans do not alleviate the substantial doubt about our ability to continue as a going concern for at least one year after the date these consolidated condensed financial statements are issued.

The accompanying consolidated condensed financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of obligations in the normal course of business, and do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should we be unable to continue as a going concern.

***Contractual Obligations***

The following table summarizes our contractual obligations as of March 31, 2026:

| | | Payments Due By Period | | | |
|---|---|---|---|---|---|
| | Total | Less than 1 year | 1-3 years | 4-5 years | More than 5 Years |
| Principal obligations on the debt arrangements | $ 150,030 | $ 1,214 | $ 6,600 | $ 7,129 | $ 135,087 |
| Interest obligations on the debt arrangements | 93,518 | 7,558 | 10,944 | 10,415 | 64,601 |
| Accounts payable and accrued expenses | 1,487,590 | 1,487,590 | - | - | - |
| Total | $ 1,731,138 | $ 1,496,362 | $ 17,544 | $ 17,544 | $ 199,688 |

Amounts related to contingent milestone payments are not considered contractual obligations as they are contingent on the achievement of certain milestones. These contingent milestones may or may not be achieved. We have not included any of these amounts in the table above as we cannot estimate or predict when, or if, these amounts will become due.

**Components of Results of Operations**

***Product Revenues - net of Discounts and Rebates***

We receive the majority of our product revenues from sales of our Arakoda product to resellers in the U.S. and abroad. Foreign sales to both Australia and Europe are further subject to profit sharing agreements for boxes sold to customers. Sales to resellers in the US are subject to considerable discounts and rebates for services provided by our third-party logistics ("3PL") partner and wholesalers and pharmacy benefit managers ("PBMs"). We recognize revenue when control of Arakoda transfers to our U.S. distributor or 3PL partner, which generally occurs upon shipment. We record product revenue net of estimated discounts, rebates, chargebacks and product returns in accordance with ASC 606. We estimate these forms of variable consideration using the expected value method and constrain estimates to amounts for which it is probable that a significant reversal of cumulative revenue will not occur when the related uncertainties are resolved.

***Cost of Revenues, Gross Profit, and Gross Margin***

Cost of revenues associated with our products is primarily comprised of direct materials, shipping, manufacturing-related costs incurred in the production process, serialization costs, and inventory write-downs due to expiration.

***Other Operating Revenues***

Other operating revenues for the periods presented include research revenue earned from the Australian Tax Authority for research activities conducted in Australia. In 2025, other operating revenues also included research revenues associated with our contract with the United States Army Medical Material Development Activity (USAMMDA) for Arakoda supply chain upgrade support. We recognized research revenue related to the USAMMDA contract over time as qualifying costs were incurred, up to the maximum contractual funding amount. All funded activities under this contract were completed and fully reimbursed by December 31, 2025, and no additional amounts are expected to be earned under the arrangement.

***Operating Expenses***

*Research and Development*

Research and development costs for the periods presented primarily consist of contracted research and development services and costs associated with preparation for and conducting our Babesiosis trial. We expense all research and development costs in the period in which they are incurred. Payments made prior to the receipt of goods or services to be used in research and development are recognized as prepaid assets and expensed over the service period as the services are provided. We have also issued shares of our common stock to vendors in exchange for research and development services.

*General and Administrative Expenses*

Our general and administrative expenses primarily consist of salaries, advertising and promotion expenses, professional services fees, such as consulting, audit, accounting and legal fees, general corporate costs and allocated costs, including facilities, information technology and amortization of intangibles.

***Interest and Other Income, Net***

We earn interest income from cash invested in interest-bearing accounts, as well as cash equivalents and short-term investments consisting of certificates of deposits with original maturities ranging from three to six months. Interest expense for the periods presented is limited to a single $150,000 SBA loan that bears interest at 3.75%. Other components of other income include changes in the fair value of derivative liabilities and other miscellaneous income or expenses.



**Results of Operations**

The following table sets forth our results of operations for the periods presented:

| | For the Three Months Ended March 31, | |
|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** |
| Product Revenues – net of Discounts and Rebates | $ 162,092 | $ 163,552 |
| Cost of Revenues | 85,715 | 73,272 |
| Gross Profit | 76,377 | 90,280 |

| | | |
|---|---|---|
| Research Revenues | - | 92,731 |
| Net Revenue | 76,377 | 183,011 |
| | | |
| Operating Expenses: | | |
| Research and Development | 281,464 | 370,813 |
| General and Administrative Expenses | 1,889,874 | 1,723,136 |
| Total Operating Expenses | 2,171,338 | 2,093,949 |
| | | |
| Loss from Operations | (2,094,961) | (1,910,938) |
| | | |
| Interest Expense | (1,389) | (1,790) |
| Change in Fair Value of Derivative Liabilities | (4,567) | 5,105 |
| Other Income, net | 10,762 | 30,322 |
| Total Interest and Other Income, net | 4,806 | 33,637 |
| Loss from Operations before Provision for Income Taxes | (2,090,155) | (1,877,301) |
| Provision for Income Taxes | - | - |
| Net Loss including Noncontrolling Interest | (2,090,155) | (1,877,301) |
| Net Loss – Noncontrolling Interest | (941) | (752) |
| Net Loss – attributed to 60 Degrees Pharmaceuticals, Inc. | $ (2,089,214) | $ (1,876,549) |

The following table sets forth our results of operations as a percentage of revenue:

| | For the Three Months Ended March 31, | |
|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** |
| Product Revenues – net of Discounts and Rebates | 100.00% | 100.00% |
| Cost of Revenues | 52.88 | 44.80 |
| Gross Profit | 47.12 | 55.20 |
| Research Revenues | - | 56.70 |
| Net Revenue | 47.12 | 111.90 |
| | | |
| Operating Expenses: | | |
| Research and Development | 173.64 | 226.72 |
| General and Administrative Expenses | 1,165.93 | 1,053.57 |
| Total Operating Expenses | 1,339.57 | 1,280.30 |
| | | |
| Loss from Operations | (1,292.45) | (1,168.40) |
| | | |
| Interest Expense | (0.86) | (1.09) |
| Change in Fair Value of Derivative Liabilities | (2.82) | 3.12 |
| Other Income, net | 6.64 | 18.54 |
| Total Interest and Other Income, net | 2.96 | 20.57 |
| Loss from Operations before Provision for Income Taxes | (1,289.49) | (1,147.83) |
| Provision for Income Taxes | - | - |
| Net Loss including Noncontrolling Interest | (1,289.49) | (1,147.83) |
| Net Loss – Noncontrolling Interest | (0.58) | (0.46) |
| Net Loss – attributed to 60 Degrees Pharmaceuticals, Inc. | (1,288.91)% | (1,147.37)% |



**Comparison of the Three Months Ended March 31, 2026 and 2025**

***Product Revenues - net of Discounts and Rebates, Cost of Revenues, Gross Profit, and Gross Margin***

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** | **$ Change** | **% Change** |
| Product Revenues – net of Discounts and Rebates | $ 162,092 | $ 163,552 | $ (1,460) | (0.89)% |
| Cost of Revenues | 85,715 | 73,272 | 12,443 | 16.98 |
| Gross Profit | $ 76,377 | $ 90,280 | $ (13,903) | (15.40)% |
| **Gross Margin %** | **47.12%** | **55.20%** | | |

*Product Revenues - net of Discounts and Rebates*

For the three months ended March 31, 2026, product revenues – net of discounts and rebates were $162,092, compared to $163,552 for the same period in 2025, a decrease of $1,460, or 0.89%. For the three months ended March 31, 2026, our U.S. pharmaceutical distributor accounted for 90% of total net product sales of Arakoda (compared to 85% in the prior-year period), Infuserve America accounted for 0% (compared to 6%), and Kodatef sales to our Australian distributor accounted for 10% (compared to 9% in the prior-year period). Total net product revenues experienced a slight decline, primarily due to returns associated with expiring product lots during the period.

We offer discounts and rebates to the civilian U.S. supply chain distribution channel. Discounts and rebates offered to our 3PL partner amount to 12% (lower rates available upon reaching larger revenue tiers) along with a $5,500 fixed monthly fee. The product is then transferred usually to one of the three large U.S. pharmaceutical distributors where rebates are 10%. Additionally, in the current quarter, we implemented a new partnership with GoodRx where patients can acquire a discount on their purchase. Lastly, we have relationships with several large pharmacy benefit managers ("PBMs") that allow patients to purchase Arakoda at a discount. The rebate associated with PBMs ranges from 30% to 41.25% depending on the amount of coverage provided. We estimate these forms of variable consideration using the expected value method and constrain estimates to amounts for which it is probable that a significant reversal of cumulative revenue will not occur when the related uncertainties are resolved. Total discounts and rebates for the three months ended March 31, 2026 were $96,857, an increase of $5,456, or 6%, from $91,401 in the prior-year period.

Arakoda entered the U.S. civilian supply chain in the third quarter of 2019. Since the introduction of the new 8-ct bottle in June 2025, we will be reporting Arakoda unit sales in terms of 16-ct box equivalents. For the three months ended March 31, 2026, the equivalent of 1,276 16-ct boxes were sold to pharmacies and dispensaries. Sales volume decreased by 19% from 1,579 16-ct box equivalents sold to pharmacies and dispensaries for the three months ended March 31, 2025.

Kodatef sales to our distributor Biocelect in Australia for the three months ended March 31, 2026 were $15,470 ($12,066 for the three months ended March 31, 2025). A historical portion of sales to Biocelect remained subject to a profit share distribution once the original transfer price has been recouped. Biocelect, which acts as a distributor in the Australian and New Zealand markets, reported an 8% quarter-over-quarter decrease, with 354 boxes sold for the three months ended March 31, 2026, compared to 386 boxes for the three months ended March 31, 2025. As of March 31, 2026, Biocelect has no inventory left that remains subject to profit share. Beginning in the first quarter of 2025, Biocelect began to purchase from the latest manufactured lot of Kodatef at $49.50 AUD per box which are not subject to historical profit share. As of March 31, 2026, no receivables were due to us (none as of December 31, 2025).

Arakoda sales volume in Europe continues to grow. We first shipped Arakoda to our distributor Scandinavian Biopharma ("SB") in September 2022. SB reported 77 boxes sold during the three months ended March 31, 2026, representing a 5% increase from the 73 boxes sold during the three months ended March 31, 2025.



*Cost of Revenues, Gross Profit, and Gross Margin*

Cost of revenues was $85,715 for the three months ended March 31, 2026, as compared to $73,272 for the three months ended March 31, 2025. The increase in total cost of revenues was primarily driven by higher quarterly storage costs with our U.S.-based packager. On a per-unit basis, however, cost of revenues declined due to the introduction of the bottle format, which has reduced packaging costs. As a result of these factors, gross margin % decreased to 47.12% for the three months ended March 31, 2026, from 55.20% in the prior-year period. Thus, our gross profit declined by $13,903 to $76,377 for the three months ended March 31, 2026, from $90,280 in the prior-year period. Inventory write-downs for expired product were not a primary driver of the gross margin decline period over period.

***Other Operating Revenues***

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** | **$ Change** | **% Change** |
| Research Revenues | $ - | $ 92,731 | $ (92,731) | (100.00)% |

The research revenues earned by us were none for the three months ended March 31, 2026, as compared to $92,731 for the three months ended March 31, 2025. The decrease in research revenues is due to the USAMMDA contract we were awarded in July 2024 to facilitate commercial validation of a new bottle and replacement blister packaging of Arakoda, which was fully utilized by the end of 2025. We recognized research revenues of $77,966 related to the USAMMDA grant for the three months ended March 31, 2025, compared to none for the three months ended March 31, 2026. Research revenues for the three months ended March 31, 2025 also included $5,138 earned from the Australian Tax Authority for qualifying research activities conducted in Australia. We recognized research revenue related to the USAMMDA contract over time as qualifying costs were incurred, up to the maximum contractual funding amount. All funded activities under this contract were completed and fully reimbursed by December 31, 2025, and no additional amounts are expected to be earned under the arrangement.

***Operating Expenses***

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** | **$ Change** | **% Change** |
| Research and Development | $ 281,464 | $ 370,813 | $ (89,349) | (24.10)% |
| General and Administrative Expenses | 1,889,874 | 1,723,136 | 166,738 | 9.68 |
| Total Operating Expenses | $ 2,171,338 | $ 2,093,949 | $ 77,389 | 3.70% |

*Research and Development*

Research and development costs decreased by $89,349 for the three months ended March 31, 2026 when compared to the three months ended March 31, 2025. The decrease was partially driven by $63,015 of packaging validation costs recognized in the prior-year period, with no comparable costs in the current period following the completion of the USAMMDA-funded activities. Otherwise, research and development costs incurred for the three months ended March 31, 2026 and 2025 primarily consisted of costs related to our babesiosis trials for tafenoquine. Direct trial-related costs represent 68% of the total research and development costs at $191,391 for the three months ended March 31, 2026, compared to 74% of the costs at $275,633 for the three months ended March 31, 2025.



*General and Administrative Expenses*

For the three months ended March 31, 2026, our general and administrative expenses increased by approximately 9.68% or $166,738 from the three months ended March 31, 2025. The increase was driven by: (1) higher sales, advertising, and promotion expenses ($521,178 vs. $285,287), and (2) higher audit, legal, and professional fees ($248,152 vs. $220,793). These increases were partially offset by lower investor outreach expenses ($197,232 vs. $393,687) and reduced stock-based compensation ($79,524 vs. $142,645). The decrease in stock-based compensation expense is attributable to two partially vested option grants awarded to executives in January 2025.

***Interest and Other Income, net***

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| **Consolidated Statements of Operations Data:** | **2026** | **2025** | **$ Change** | **% Change** |
| Interest Expense | $ (1,389) | $ (1,790) | $ 401 | (22.40)% |
| Change in Fair Value of Derivative Liabilities | (4,567) | 5,105 | (9,672) | (189.46) |
| Other Income, net | 10,762 | 30,322 | (19,560) | (64.51) |
| Total Interest and Other Income, net | $ 4,806 | $ 33,637 | $ (28,831) | (85.71)% |

*Interest Expense*

For the three months ended March 31, 2026, we recognized $1,389 of interest expense ($1,790 for the three months ended March 31, 2025). Our interest expense for the periods presented primarily relates to our single outstanding loan from the SBA. Cash paid for interest expense was $2,193 and $2,193 for the three months ended March 31, 2026 and March 31, 2025, respectively.

*Change in Fair Value of Derivative Liabilities*

For the three months ended March 31, 2026, we recognized a net (loss) gain on the change in fair value of derivative liabilities of $(4,567) compared to $5,105 for the three months ended March 31, 2025. During the periods presented, derivative liabilities include the contingent milestone payment due to Knight upon a future sale of Arakoda or a Change of Control. We use a probability-weighted expected return method to estimate the fair value of this derivative liability. This method requires significant judgment and is sensitive to changes in assumptions related to the expected timing of payment, the likelihood of potential exit scenarios, and the selected discount rate. The gains and losses recognized during the periods presented are non-cash in nature and do not impact our liquidity or cash flows.

*Other Income, net*

For the three months ended March 31, 2026, we recognized $10,762 in other income compared to $30,322 for the three months ended March 31, 2025. For the three months ended March 31, 2026, we recognized interest income from cash invested in interest-bearing accounts and investments in certificates of deposit of $11,210 ($31,897 for the three months ended March 31, 2025).

**Cash Flows**

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Net Cash (Used In) Provided By : | | | | |
| Operating Activities | $ (2,741,559) | $ (1,597,366) | $ (1,144,193) | 71.63% |
| Investing Activities | 1,193,560 | 1,702,518 | (508,958) | (29.89) |
| Financing Activities | 3,369,752 | 1,696,899 | 1,672,853 | 98.58 |
| Effect of Foreign Currency Translation on Cash Flow | 5,942 | (9,904) | 15,846 | (160.00) |
| Net Increase in Cash and Cash Equivalents | $ 1,827,695 | $ 1,792,147 | $ 35,548 | 1.98% |



*Cash Used in Operating Activities*

Net cash used in operating activities was $2,741,559 for the three months ended March 31, 2026, as compared to $1,597,366 for the three months ended March 31, 2025. Our net cash used in operating activities increased primarily due to higher general and administrative expenses at $1,889,874 for the three months ended March 31, 2026 ($1,723,136 for the three months ended March 31, 2025), as a result of higher sales, advertising and promotion costs and audit, legal and professional fees, as discussed above. In addition, cash outflows increased due to higher levels of vendor prepayments primarily due to initiating new API production at Piramal during the three months ended March 31, 2026 when compared to the three months ended March 31, 2025.

*Cash Provided by Investing Activities*

Net cash provided by investing activities was $1,193,560 for the three months ended March 31, 2026, as compared to $1,702,518 for the three months ended March 31, 2025. For the three months ended March 31, 2026, we received proceeds of $1,235,000 from maturities of certain short-term investments in certificates of deposit ($1,708,000 for the three months ended March 31, 2025). The cash proceeds are partially offset by fixed asset purchases of $30,000 for the three months ended March 31, 2026 ($2,678 for the three months ended March 31, 2025). Additionally, for the three months ended March 31, 2026, we paid cash of $11,440 for capitalized website development costs associated with enhancements to the functionality of our corporate website. We did not have any cash outflows for capitalized website development costs for the three months ended March 31, 2025.

*Cash Provided by Financing Activities*

Net cash provided by financing activities was $3,369,752 for the three months ended March 31, 2026, as compared to $1,696,899 for the three months ended March 31, 2025. The increase in net cash provided by financing activities is attributable to higher net proceeds from the sale of common stock under

our At-the-Market (ATM) Sales Agreement between January and March 2026, which exceeded the aggregate net proceeds of $1,712,973 received from our common stock and warrant offerings completed in January and February 2025.

The increase was partially offset by lower proceeds from warrant exercises, which were $0 for the three months ended March 31, 2026, compared to $1,926 for the three months ended March 31, 2025. In addition, during the three months ended March 31, 2025, we withheld shares valued at $18,000 to cover tax withholdings associated with the net share settlement of certain 2024 performance bonuses awarded to our executives. No such share withholding or net share settlement activity occurred during the three months ended March 31, 2026.

*Effect of Foreign Currency Translation on Cash*

Our foreign operations were small relative to U.S. operations for the three months ended March 31, 2026 and March 31, 2025, thus effects of foreign currency translation have been minor.

**Critical Accounting Policies, Significant Judgments, and Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Revenue Recognition***

We recognize revenue in accordance with FASB ASC Topic No. 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenues are recognized when control is transferred to customers in amounts that reflect the consideration we expect to be entitled to receive in exchange for those goods. Revenue recognition is evaluated through the following five steps: (i) identification of the contract, or contracts, with a customer; (ii) identification of the performance obligations in the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations in the contract; and (v) recognition of revenue when or as a performance obligation is satisfied. As part of the accounting for these arrangements, we may be required to make significant judgments, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each performance obligation.



Revenues from product sales are recorded at the net sales price, or "transaction price," which may include estimates of variable consideration that result from product returns. We determine the amount of variable consideration by using either the expected value method or the most-likely-amount method. We include the unconstrained amount of estimated variable consideration in the transaction price, which reflects the amount for which it is probable that a significant reversal of cumulative revenue recognized will not occur. At the end of each subsequent reporting period, we re-evaluate the estimated variable consideration included in the transaction price and any related constraint, and if necessary, adjust our estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis in the period of adjustment. Reserves are established for the estimates of variable consideration based on the amounts we expect to be earned or to be claimed on the related sales.

We record U.S. commercial revenues as a receivable when our American distributor transfers shipped product to their title model for 60P. Foreign sales to both Australia and Europe are recognized as a receivable at the point product is shipped to distributor. The shipments to Australia and Europe were further subject to profit sharing agreements for boxes sold to customers.

***Inventory***

We report inventories at the lower of cost or net realizable value. Cost is comprised of direct materials and, where applicable, costs we incur in bringing the inventories to their present location and condition. We use the Specific Identification method per lot. A box or a bottle price is calculated per lot number and sales are recognized by their lot number.

We regularly monitor our inventory levels to identify inventory that may expire or has a cost basis in excess of its estimated realizable value, and record write-downs for inventory that has expired, inventory that has a cost basis in excess of its expected net realizable value, and inventory in excess of expected sales requirements. We charge any write-downs of inventories to Cost of Revenues in the Consolidated Condensed Statements of Operations and Comprehensive Loss.

***Share-Based Payments***

We account for share-based payments in accordance with ASC Subtopic 718, *Compensation - Stock Compensation* ("ASC 718"). We measure compensation for all share-based payment awards granted to employees, directors, and nonemployees, based on the estimated fair value of the awards on the date of grant. For awards that vest based on continued service, the service-based compensation cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the awards. For service vesting awards with compensation expense recognized on a straight-line basis, at no point in time does the cumulative grant date value of vested awards exceed the cumulative amount of compensation expense recognized. The grant date is determined based on the date when a mutual understanding of the key terms of the share-based awards is established. We account for forfeitures as they occur.

We estimate the fair value of all stock option awards as of the grant date by applying the Black-Scholes option pricing model. The application of this valuation model involves assumptions, including the fair value of the common stock, expected volatility, risk-free interest rate, expected dividends and the expected term of the option. Due to the lack of a public market for our common stock prior to the IPO and lack of company-specific historical implied volatility data, we base our computations of expected volatility on the historical volatility of a representative group of public companies with similar characteristics of the Company, including stage of development and industry focus. The historical volatility is calculated based on a period of time commensurate with the expected term assumption. We generally use the simplified method as prescribed by the SEC Staff Accounting Bulletin Topic 14, *Share-Based Payment*, to estimate the expected term for stock options, whereby, the expected term equals the midpoint of the weighted average remaining time to vest, vesting period and the contractual term of the options due to our lack of historical exercise data. For certain options granted out-of-the-money, our best estimate of the expected term is the contractual term of the award. The risk-free interest rate is based on U.S. Treasury securities with a maturity date commensurate with the expected term of the associated award. The expected dividend yield is assumed to be zero as we have never paid dividends and

have no current plans to pay any dividends on our common stock. The assumptions used in calculating the fair value of share-based awards represent our best estimates and involve inherent uncertainties and the application of significant judgment.

We recognize compensation expense for restricted stock units ("RSUs") with only service-based vesting conditions on a straight-line basis over the vesting period. Compensation cost for service-based RSUs is based on the grant date fair value of the award, which is the closing market price of our common stock on the grant date multiplied by the number of shares awarded.

For awards that vest upon a liquidity event or a change in control, the performance condition is not probable of being achieved until the event occurs. As a result, no compensation expense is recognized until the performance-based vesting condition is achieved, at which time the cumulative compensation expense is recognized. Compensation cost related to any remaining time-based service for share-based awards after the liquidity-based event is recognized on a straight-line basis over the remaining service period.



For fully vested, nonforfeitable equity instruments that are granted at the date we enter into an agreement for goods or services with a nonemployee, we recognize the fair value of the equity instruments on the grant date. The corresponding cost is recognized as an immediate expense or a prepaid asset and expensed over the service period depending on the specific facts and circumstances of the agreement with the nonemployee.

***Derivative Liabilities***

We assess the classification of our derivative financial instruments each reporting period, and determined that such instruments initially qualified for treatment as derivative liabilities as they met the criteria for liability classification under ASC 815. As of March 31, 2026, our derivative liabilities consist of contingent payment arrangements.

We analyze all financial instruments with features of both liabilities and equity under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic No. 480, *Distinguishing Liabilities from Equity* ("ASC 480") and FASB ASC Topic No. 815, *Derivatives and Hedging* ("ASC 815"). Derivative liabilities are adjusted to reflect fair value at each reporting period, with any increase or decrease in the fair value recorded in the results of operations, as a component of other income or expense as change in fair value of derivative liabilities. We use a probability-weighted expected return method to determine the fair value of these instruments.

Upon conversion or repayment of a debt or equity instrument in exchange for equity shares, where the embedded conversion option has been bifurcated and accounted for as a derivative liability (generally convertible debt and warrants), we record the equity shares at fair value on the date of conversion, relieve all related debt, derivative liabilities, and unamortized debt discounts, and recognize a net gain or loss on debt extinguishment, if any.

Equity or liability instruments that become subject to reclassification under ASC Topic 815 are reclassified at the fair value of the instrument on the reclassification date.

***Off-Balance Sheet Arrangements***

During 2026 and 2025, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

***JOBS Act Accounting Election***

In April 2012, the JOBS Act was enacted. Section 107(b) of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

***Recent Accounting Pronouncements***

From time to time, the FASB issues Accounting Standards Updates ("ASUs") to amend the authoritative literature in the ASC. We regularly evaluate new ASUs to determine the impact that these pronouncements may have on our consolidated condensed financial statements. Other than the pronouncements listed below, management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, or (iii) are not applicable to our consolidated condensed financial statements or related disclosures.



In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which applies to all public business entities that file financial statements with the SEC. The amendments in this ASU require public business entities to disclose on an annual and interim basis, disaggregated information about certain income statement expense line items. The new standard is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. We are currently evaluating the impact that ASU 2024-03 will have on our financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"), which amends certain aspects of the accounting for and disclosure of software costs under ASC 350-40. The amendments modernize the recognition and disclosure framework for internal-use software costs, removing the previous "development stage" model and introducing a more judgment-based approach. The ASU is effective for all entities for interim and annual periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact that ASU 2025-06 will have on our financial statements.

In September 2025, the FASB issued ASU 2025-07, *Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract* ("ASU 2025-07"). ASU 2025-07 adds a new scope exception from derivative accounting under ASC 815 for certain

non-exchange-traded contracts with customers with an underlying that is based on operations or activities specific to one of the parties to the contract. Further, ASU 2025-07 clarifies that an entity should apply the guidance in ASC 606 to a contract with stock-based noncash consideration. The ASU is effective for annual periods beginning after December 15, 2026 and interim periods within those annual periods, with early adoption permitted. We are currently evaluating the impact that ASU 2025-07 will have on our financial statements.

**ITEM 3. Quantitative and Qualitative Disclosures about Market Risk**

As a smaller reporting company as defined by Rule 12b-2 of the Exchange Act of 1934, as amended and in Item 10(f)(1) of Regulation S-K, we are electing scaled disclosure reporting obligations and therefore are not required to provide the information requested by this item.

**ITEM 4. Controls and Procedures. Disclosure Controls and Procedures**

*Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2026. Based on that evaluation, our Chief Executive Officer and the Company's Chief Financial Officer have concluded that as of March 31, 2026, due to the existence of the material weakness in our internal control over financial reporting described below, our disclosure controls and procedures were not effective.

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting. Our management has used the framework set forth in the report entitled "Internal Control-Integrated Framework (2013)" published by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of our internal control over financial reporting.

Based on this assessment, our management concluded that our internal control over financial reporting was not effective as of March 31, 2026, due to the existence of material weaknesses in our internal control over financial reporting. These material weaknesses are described below:

(1) Inadequate Design of Policies and Procedures: We did not design policies and procedures at a sufficient level of precision to support the operating effectiveness of controls to prevent and detect potential errors.

(2) Lack of Documentation: There was a failure to maintain adequate documentation to evidence the operating effectiveness of certain control activities and a lack of proper levels of supervision and review of complex accounting matters.

(3) Access Control and Segregation of Duties: Inadequate controls in place related to maintaining appropriate access to certain systems and maintaining appropriate segregation of duties within those systems.

*Limitations on Effectiveness of Controls and Procedures*

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, 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. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

*Changes in Internal Control over Financial Reporting*

There were no changes in our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.



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## 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. There were no reportable litigation events during the quarter ended March 31, 2026.

**ITEM 1A. RISK FACTORS**

As a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended, and in item 10(f)(1) of Regulation S-K, we are electing scaled disclosure reporting obligations and therefore are not required to provide the information requested by this item. In any event, there have been no material changes in our risk factors as previously disclosed in our Registration Statement.

***If we fail to maintain compliance with Nasdaq's continued listing requirements, including the minimum bid price rule, our common stock could be delisted, which would adversely affect the liquidity and market price of our shares.***

In January 2026, we effected a 1-for-4 reverse stock split in order to regain compliance with Nasdaq's $1.00 minimum bid price requirement. There can be no assurance that we will be able to maintain compliance with Nasdaq's continued listing standards in the future. A Delisting of our common stock from The Nasdaq Capital Market would likely result in decreased liquidity for our stockholders. This could make it more difficult for us to raise additional capital, and might adversely affect the market price of our common stock.

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

*(A) Unregistered Sales of Equity Securities*

None.

*(B) Use of Proceeds*

None.

*(C) Issuer Purchases of Equity Securities*

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable.

**ITEM 5. OTHER INFORMATION**

**Securities Trading Plans**

During the three months ended March 31, 2026, none of our Section 16 officers or directors (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any "non-Rule 10b5-1 trading arrangement" (as defined in Section 408(c) of Regulation S-K).



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**ITEM 6. EXHIBITS**

**EXHIBIT INDEX**

| Exhibit No. | Description |
|---|---|
| 1.1 | Engagement Agreement (incorporated by reference to Exhibit 1.1 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 1.2 | Amendment to Engagement Agreement (incorporated by reference to Exhibit 1.2 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 1.3 | Extension to Engagement Agreement (incorporated by reference to Exhibit 1.3 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 1.4 | Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed July 18, 2025) |
| 1.5 | Form of Placement Agent Warrant (incorporated by reference to Exhibit 4.4 of the Company's Current Report on Form 8-K filed July 18, 2025) |
| 1.6 | At-The-Market Sales Agreement (incorporated by reference to Exhibit 1.1 of the Company's Current Report on Form 8-K filed September 5, 2025) |
| 4.1 | Form of Warrant (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 4.2 | Form of Placement Agent Warrant (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 4.3 | Form of Warrant (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed on February 6, 2025) |
| 4.4 | Form of Placement Agent Warrant (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed on February 6, 2025) |
| 10.1 | Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on January 30, 2025) |
| 10.2 | Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on February 6, 2025) |
| 31.1* | Rule 13a-14(a)/15d-14(a) Certification of the President and Chief Executive Officer of 60 Degrees Pharmaceuticals, Inc. |
| 31.2* | Rule 13a-14(a)/15d-14(a) Certification of the Chief Financial Officer of 60 Degrees Pharmaceuticals, Inc. |
| 32.1** | Section 1350 Certification of the President and Chief Executive Officer of 60 Degrees Pharmaceuticals, Inc. |
| 32.2** | Section 1350 Certification of the Chief Financial Officer of 60 Degrees Pharmaceuticals, Inc. |
| 101.INS* | Inline XBRL Instance Document |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB* | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104* | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.

** Exhibits 32.1 and 32.2 are being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise specifically stated in such filing.

**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.

**60 DEGREES PHARMACEUTICALS, INC.**

Dated: May 15, 2026

*/s/ Geoffrey Dow*
Geoffrey Dow
Chief Executive Officer and President, Director
(Principal Executive Officer)

Dated: May 15, 2026

*/s/ Tyrone Miller*
Tyrone Miller
Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 31.1**

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

I, Geoffrey Dow, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of 60 Degrees Pharmaceuticals, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: May 15, 2026

*/s/ Geoffrey Dow*

Name: Geoffrey Dow
Title: Chief Executive Officer and President
(Principal Executive Officer)

**Exhibit 31.2**

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

I, Tyrone Miller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of 60 Degrees Pharmaceuticals, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: May 15, 2026

*/s/ Tyrone Miller*

Name: Tyrone Miller
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 32.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**
**PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Geoffrey Dow, the Chief Executive Officer and President of 60 Degrees Pharmaceuticals, Inc. (the "Company"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2026 (the "Report") of the Company fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2026

*/s/ Geoffrey Dow*

Name: Geoffrey Dow
Title: Chief Executive Officer and President
(Principal Executive Officer)

**Exhibit 32.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**
**PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Tyrone Miller, the Chief Financial Officer of 60 Degrees Pharmaceuticals, Inc. (the "Company"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2026 (the "Report") of the Company fully complies with the requirements of Section 13(a)/15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2026

*/s/ Tyrone Miller*

Name: Tyrone Miller
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)