

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Quarterly Period Ended March 31, 2024

☐ **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: 001-40785



ASSURE HOLDINGS CORP.

(Exact Name of Registrant as Specified in its Charter)

Nevada

(State or other jurisdiction of incorporation or organization)

82-2726719

(I.R.S. Employer Identification No.)

7887 E. Belleview Ave., Suite 240 Denver, Colorado

(Address of principal executive offices)

80111

(Zip Code)

(720) 287-3093

(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, \$0.001 par value per share	IONM	Nasdaq Stock Market LLC (Nasdaq Capital Market)

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: **None**

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 (§ 229.405 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 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 Act). Yes ☐ No ☒

The number of the registrant's shares of common stock outstanding as of June 4, 2024 was 9,000,000.

ASSURE HOLDINGS CORP.
FORM 10Q
FOR THE QUARTER ENDED MARCH 31, 2024
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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

ASSURE HOLDINGS CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and par amounts)

	March 31, 2024 (unaudited)	December 31, 2023
ASSETS		
Current assets		
Cash	\$ 376	\$ 123
Accounts receivable, net	2,065	3,601
Other current assets	1,287	562
Assets held for sale	—	2,437
Total current assets	3,728	6,723
Equity method investments	175	175
Operating lease right of use asset, net	537	616
Total assets	<u>\$ 4,440</u>	<u>\$ 7,514</u>
LIABILITIES AND SHAREHOLDERS' DEFICIT		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 7,788	\$ 7,411
Current portion of debt	13,426	13,679
Current portion of lease liability	388	621
Current portion of acquisition liability	403	454
Short-term promissory notes (Note 6)	692	—
Other current liabilities	54	53
Total current liabilities	22,751	22,218
Lease liability, net of current portion	235	505
Acquisition liability, net of current portion	64	126
Total liabilities	23,050	22,849
Commitments and contingencies (Note 9)		
SHAREHOLDERS' DEFICIT		
Common stock: \$0.001 par value; 9,000,000 shares authorized; 8,326,589 and 6,720,460 shares issued and outstanding, as of March 31, 2024 and December 31, 2023, respectively	8	7
Additional paid-in capital	55,799	55,292
Accumulated deficit	(74,417)	(70,634)
Total shareholders' deficit	(18,610)	(15,335)
Total liabilities and shareholders' deficit	<u>\$ 4,440</u>	<u>\$ 7,514</u>

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

ASSURE HOLDINGS CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 9	\$ 115
Cost of revenues	475	679
Gross margin	(466)	(564)
Operating expenses (income)		
General and administrative	3,911	3,211
Depreciation and amortization	—	2
Gain on settlement of accounts payable	(181)	—
Total operating expenses	3,730	3,213
Loss from operations	(4,196)	(3,777)
Other income (expenses)		
Income from equity method investments	—	25
Interest expense	(527)	(501)
Other income (expense), net	156	58
Accretion expense (Note 6)	(102)	(170)
Total other income (expense), net	(473)	(588)
Loss from continuing operations before income taxes	(4,669)	(4,365)
Income tax benefit on continuing operations	—	796
Loss from continuing operations	(4,669)	(3,569)
Income from discontinued operations, net of tax	908	425
Net loss	\$ (3,761)	\$ (3,144)
Loss per share		
Loss from continuing operations, basic and diluted	\$ (0.67)	\$ (3.38)
Income from discontinued operations, basic and diluted	\$ 0.13	\$ 0.40
Loss per share, basic and diluted	\$ (0.54)	\$ (2.98)
Weighted average number of shares used in per share calculation – basic	6,999,879	1,054,933
Weighted average number of shares used in per share calculation – diluted	6,999,879	1,054,933

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

ASSURE HOLDINGS CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities		
Net loss	\$ (3,761)	\$ (3,144)
Adjustments to reconcile net loss to net cash used in operating activities		
Income from equity method investments	—	(25)
Stock-based compensation	174	(10)
Depreciation and amortization	—	2
Amortization of debt issuance costs	40	39
Accretion expense	102	170
Gain on sale of assets	(666)	—
Gain on settlement of account payable	(181)	—
Right of use assets	95	55
Deferred income taxes, net	—	(796)
Change in operating assets and liabilities		
Accounts receivable	1,536	2,256
Accounts payable and accrued liabilities	476	697
Due from MSAs	—	234
Lease liability	(17)	—
Short-term promissory notes	692	—
Other assets and liabilities	46	(157)
Operating cash flows from discontinued operations	—	182
Net cash used in operating activities	(1,464)	(497)
Cash flows from investing activities		
Proceeds from sale of assets	2,320	—
Distributions received from equity method investments	—	37
Net cash provided by investing activities	2,320	37
Cash flows from financing activities		
Proceeds from share issuance, net of share issuance costs	—	300
Repayment of debt	(82)	—
Finance lease principal payments	(408)	(163)
Payment of acquisition liability	(113)	(77)
Net cash provided by financing activities	(603)	60
Decrease in cash	253	(400)
Cash at beginning of year	123	905
Cash at end of year	\$ 376	\$ 505
Supplemental cash flow information		
Interest paid	\$ 668	\$ 550
Income taxes paid	\$ —	\$ —
Supplemental non-cash flow information		
Convertible debt converted to common shares	\$ 334	\$ —

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

ASSURE HOLDINGS CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
(in thousands, except share amounts)
(unaudited)

	Common Stock		Additional	Accumulated	Total
	Shares	Amount	paid-in Capital	deficit	shareholders' equity (deficit)
Balances, December 31, 2022	1,051,098	\$ 1	\$ 50,020	\$ (44,556)	\$ 5,465
Share issuance, net	50,000	—	300	—	300
Stock-based compensation	—	—	(10)	—	(10)
Net loss	—	—	—	(3,144)	(3,144)
Balances, March 31, 2023	<u>1,101,098</u>	<u>\$ 1</u>	<u>\$ 50,310</u>	<u>\$ (47,700)</u>	<u>\$ 2,611</u>
Balances, December 31, 2023	6,720,460	\$ 7	\$ 55,292	\$ (70,634)	\$ (15,335)
Adoption of new accounting principle	—	—	—	(22)	(22)
Stock-based compensation	268,758	—	174	—	174
Convertible debt converted into shares	1,337,371	1	333	—	334
Net loss	—	—	—	(3,761)	(3,761)
Balances, March 31, 2024	<u>8,326,589</u>	<u>\$ 8</u>	<u>\$ 55,799</u>	<u>\$ (74,417)</u>	<u>\$ (18,610)</u>

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

ASSURE HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. NATURE OF OPERATIONS

Assure Holdings Corp. ("Assure" or the "Company"), through its two indirect wholly-owned subsidiaries, Assure Neuromonitoring, LLC ("Neuromonitoring") and Assure Networks, LLC ("Networks"), provides technical and professional intraoperative neuromonitoring ("IONM") surgical support services for neurosurgery, spine, cardiovascular, orthopedic, ear, nose, and throat, and other surgical procedures that place the nervous system at risk. Assure Holdings, Inc., a wholly-owned subsidiary, employs most of the administrative employees and performs various corporate services on behalf of the Company. Assure Neuromonitoring employs interoperative neurophysiologists ("INP") who utilize technical equipment and their technical training to monitor evoked potentials ("EPS"), electroencephalographic ("EEG") and electromyography ("EMG") signals during surgical procedures and to pre-emptively notify the underlying surgeon of any nervous related issues that are identified. The INPs perform their services in the operating room during the surgeries. The INPs are certified by a third-party accreditation agency.

The Company was originally incorporated in Colorado on November 7, 2016. In conjunction with a reverse merger, the Company was redomiciled in Nevada on May 16, 2017.

Neuromonitoring was formed on August 25, 2015, in Colorado and currently has multiple wholly-owned subsidiaries. The Company's services are sold in the United States.

Networks was formed on November 7, 2016, in Colorado and holds varying ownerships interests in numerous Provider Network Entities ("PE"), which are professional IONM entities. These entities are accounted for under the equity method of accounting. Additionally, Networks manages other PEs that Networks does not have an ownership interest and charges those PEs a management fee. Throughout 2023, the Company exited the majority of business under Assure's legacy Managed Service Agreement ("MSA") model in order to keep all revenue generated from services provided by the Professional Component of IONM. The Company expects the remaining MSA relationships to be terminated during 2024.

Strategic Shift in Business Strategy

During September 2023, the Company's Board of Directors initiated a process to explore strategic alternatives for the business. In consultation with financial and legal advisors, a comprehensive strategic review process began immediately and evaluated a broad range of options to maximize shareholder value. As part of this review process, Assure's board agreed to conduct an auction process for the sale of its clinical operations and evaluate merger candidates. During February 2024, Assure entered a Definitive Agreement and Plan of Merger with Danam Health, Inc. ("Danam"). Danam delivers unique solutions for pharmacies, providers, pharmaceutical manufacturers, and payors focused on improving the lives of patients. During March 2024, Assure closed the disposal transaction resulting in the sale of most of the Company's clinical operations, equipment, and contracts. As of the filing date of this Quarterly Report on Form 10Q, Assure is providing IONM services in limited markets, primarily Arizona and Montana.

Merger Agreement

On February 12, 2024, Assure entered into an Agreement and Plan of Merger (the "Merger Agreement") with Danam Health, Inc. ("Danam") and Assure Merger Corp., a newly formed wholly-owned subsidiary of Assure ("Assure Merger"). Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, including approval of the transaction by the stockholders of Assure and Danam, Assure Merger will be merged with and into Danam (the "Merger"), with Danam surviving the Merger as a wholly-owned subsidiary of Assure. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"): (i) each share of Danam capital stock issued and outstanding immediately prior to the Effective Time shall automatically be converted into and become the right to receive the applicable per share portion of the "merger consideration" as set forth in the allocation statement to be delivered pursuant to the Merger Agreement ("merger consideration" is defined in the Merger Agreement to mean a number of shares of common

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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stock of Assure equal to (a) the quotient obtained by dividing (i) the number of shares of Assure capital stock on a fully diluted basis (the "Assure Fully Diluted Share Number") by (ii) the quotient of (A) the adjusted value of Assure dividend by (B) the sum of the adjusted value of Assure and the adjusted value of Danam, minus (b) the Assure Fully Diluted Share Number minus (c) the number of shares of common stock of Assure the warrants of Danam will become exercisable for upon closing of the Merger); (ii) each outstanding warrant of Danam will be assumed by Assure and become a warrant to purchase an adjusted number of shares of common stock of Assure, at an adjusted exercise price per share but subject to the same terms and conditions as the warrant of Danam.

Following closing of the Merger, the former Assure equityholders immediately before the Merger are expected to own approximately 10% of the outstanding capital stock of the combined company on a fully diluted basis and the equityholders of Danam immediately before the Merger are expected to own approximately 90% of the outstanding capital stock of the combined company on a fully diluted basis.

Upon closing of the Merger, Assure will be renamed Danam Health Holdings Corp. Suren Ajjarapu will serve as Chairman of the Board of Directors and Tim Canning will serve as the Chief Executive Officer of the combined company. The Merger Agreement provides that the Board of Directors of the combined company will be comprised of five members which will be filled upon completion of the Merger to be designated by Danam.

The Merger Agreement contains customary representations, warranties and covenants of Assure and Danam, including covenants relating to the conduct of the business of both Assure and Danam from the date of signing the Merger Agreement through closing of the Merger, obtaining the requisite approval of the stockholders of Assure and Danam and maintain the listing of the common stock of Assure on the NASDAQ Capital Market and applying for the continued listing of Danam after the closing of the Merger on the NASDAQ Capital Market. Under the terms of the Merger Agreement, Assure has also agreed not to solicit from any person an acquisition proposal (as defined in the Merger Agreement) for Assure.

The Board has agreed to recommend the approval of the Assure Stockholder Proposals to the stockholders and to solicit proxies in support of the approval of the Assure Stockholder Proposals at a meeting of the stockholders to be held for that purpose.

The Merger Agreement contains a limited contractual ability for the Board, in accordance with its fiduciary duties to the stockholders, to change its recommendation to the stockholders upon receipt of a superior proposal subject to certain terms and conditions therein, including providing Danam notice of the superior proposal and time to make a counter-proposal to amend the terms of the Merger Agreement.

Under the Merger Agreement, Assure has agreed to maintain certain indemnity rights (including advancing expenses) of the current officers and directors of Assure as they exist in the governing documents of Assure and maintain director and officers insurance for a period of 6 years following the closing of the Merger.

The closing of the Merger is subject to customary closing conditions, including, among other things, (i) the required approval of the stockholders of Assure and Danam, (ii) the accuracy of the representations and warranties of the parties made in the Merger Agreement, subject to materiality qualifiers, (iii) compliance by the parties with their respective covenants under the Merger Agreement, and (iv) the approval of NASDAQ of the continued listing of Danam after the closing of the Merger. Further, closing of the Merger is conditioned on the simultaneous closing of a sale transaction of Assure's assets. The obligation of Assure is conditioned upon Danam completing acquisition transactions as set forth in the Merger Agreement, including completing the acquisitions of (a) all of the membership interests in Wood Sage, LLC, a Florida limited liability company and (b) all of the membership interests in Wellgistics, LLC, a Florida limited liability company set forth in the applicable acquisition transactions agreements, both such acquisition transactions to close prior to or concurrent with the Merger. The obligation of Danam to close the Merger is also subject to satisfaction of certain additional conditions, including, among other things, (i) no Assure material adverse effect, (ii) Assure having performed its obligations under the agreement governing the sale transaction, (iii) Assure completing a wind down of its business, (iv) the reverse split having been consummated, and (v) Assure having a maximum amount of \$500,000 in retained liabilities.

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The parties may terminate the Merger Agreement upon mutual consent. Either party may terminate the Merger Agreement (i) if any of the representations or warranties of the other party set forth in the Merger Agreement shall not be true and correct or if the other party has failed to perform any covenant or agreement on the part of such party set forth in the Merger Agreement, (ii) the Merger is not consummated by the outside date (May 15, 2024), (iii) there is a governmental order prohibiting the Merger, and (iv) failure to obtain the stockholder vote. Danam may terminate the Merger Agreement if (i) the Board changes its recommendation to stockholders with respect to the Merger, (ii) the Board fails to reaffirm its recommendation to stockholders with respect to the Merger following a tender offer for Assure, (iii) the Board fails to reaffirm its recommendation to stockholders with respect to the merger following a publicly announced acquisition proposal for Assure, (iv) Assure breaches its non-solicitation provisions, or (v) the Board resolves to do any of the above. Assure may terminate the Merger Agreement for acceptance of a superior proposal.

In the event that Danam or Assure terminates the Merger Agreement pursuant to certain of the sections set forth above, Assure will be required to pay Danam a termination fee of \$1,000,000, less any reimbursed expenses. Upon termination in other contexts in which a termination fee is not due, the breaching party may owe the non-breaching party reimbursement of expenses up to \$250,000.

On April 8, 2024, the Company entered into a partial waiver and amendment agreement (the "Waiver Agreement") with Assure Acquisition Corp. (the "Merger Sub") and Danam which waives and amends certain provisions of that certain agreement and plan of merger (the "Merger Agreement") dated February 12, 2024 by and between the Corporation, Merger Sub and Danam.

Pursuant to the terms and conditions of the Waiver Agreement, Danam has partially waived its right to terminate the Merger Agreement pursuant to breaches of Section 6.8(a) and 6.20 of the Merger Agreement provided that the Corporation meets the following conditions:

- a. Assure obtains the Preliminary Shareholder Vote required by Section 6.20 of the Merger Agreement no later than April 30, 2024;
- b. Assure files the proxy statement and registration statement on Form S-4 required by the Section 6.8(a) Covenant no later than April 26th, 2024;
- c. Assure issues Danam a \$1,000,000 convertible promissory note in the form attached as Exhibit A to the Merger Agreement (the "Convertible Note") simultaneously with the execution and delivery of this Waiver;
- d. Assure receives shareholder approval for the Merger five (5) Business Days prior to the Termination Date and effects the Reverse Split prior to the Termination Date;
- e. Assure is not in default under the Convertible Note; and
- f. Assure is not in breach of any other covenants set forth in the Merger Agreement, subject to any necessary notice requirements and cure period set forth therein.

Further the Waiver Agreement amends the Merger Agreement to change the definition of "Termination Date" to mean July 22, 2024.

In connection with the Waiver Agreement, on April 8, 2024, the Corporation issued a convertible note to Danam in principal amount of \$1,000,000. The note accrues interest on the then outstanding principal balance at a rate equal to 10% per annum, computed on the basis of the actual number of days elapsed and a year of 365 days. The note has a maturity date of July 22, 2024. Upon the occurrence of certain events, the note is convertible into shares of common stock at the Nasdaq "Minimum Price" in accordance with Listing Rule 5635(d). The note will become immediately due and payable upon the occurrence of an event of default under the note, including but not limited to: a failure to pay, voluntary bankruptcy or insolvency of Assure, involuntary bankruptcy or insolvency proceedings of Assure, breach of the Merger Agreement or termination of the Merger Agreement

Financial Reporting and Classification

As a result of the corporate actions described above, the Company's technical and professional services meet the criteria to be considered "held for sale" as that term is defined in accounting principles generally accepted in the United States ("GAAP"). Accordingly, the assets associated with these services are classified and reflected on our consolidated balance sheets as "held for sale" as of December 31, 2023, and their results of operations are classified as "discontinued operations" in the consolidated statements of operations for the three months ended March 31, 2024 and 2023. Certain financial disclosures including major components of the assets and results of operations

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(unaudited)

related to discontinued operations are provided in Note 3. Our continuing operations consists of our billing and collections services and costs to maintain our public company listing and are presented as such for all periods presented herein and until such time a strategic transaction is completed.

2. BASIS OF PRESENTATION

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The Company's financial statements were prepared on a consolidated basis and include the accounts of the Company and its wholly owned subsidiaries, as well as an entity in which the Company has a controlling financial interest. All intercompany accounts and transactions have been eliminated in consolidation.

Unaudited Interim Financial Statements

The accompanying unaudited interim condensed consolidated financial statements are presented in accordance with the applicable rules and regulations of the U.S. Securities and Exchange Commission ("SEC") for interim financial information. The amounts as of December 31, 2023, have been derived from the Company's annual audited consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2023, filed on April 26, 2024 (the "Form 10-K"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted in accordance with such rules and regulations. In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements reflect all adjustments, which consist of normal recurring adjustments, necessary to state fairly the financial position of the Company and its results of operations and cash flows as of and for the periods presented. These unaudited interim condensed consolidated financial statements should be read in conjunction with the Form 10-K. The results of operations for the three months ended March 31, 2024, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2024 or any future period and the Company makes no representations related thereto.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The accounting estimates and assumptions that require management's most significant, difficult, and subjective judgment include the recognition and measurement of patient service fees, net, hospital, management and other revenue, the collectability of accounts receivable, the fair value measurements of goodwill and intangible assets, the assessment of the recoverability of goodwill, the assessment of useful lives and recoverability of intangible assets and long-lived assets, recognition and measurement of current and deferred income tax assets and liabilities, the assessment of unrecognized tax benefits, the valuation and recognition of stock-based compensation expense, among others. Actual results experienced by the Company may differ from management's estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods. Significant assumptions, judgments, and estimates that management has made at the end of the reporting period that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following: patient service fees, net; hospital, management, and other revenue; accounts receivable; and due to/from related parties.

Liquidity and Going Concern

The Company's current cash balance and estimated cash from operations for the next 12 months is not sufficient to meet the Company's working capital needs for the next 12 months, which raised substantial doubt as to the Company's ability to continue as a going concern. The Company intends to seek equity or debt financing and have implemented significant cost cutting measures to mitigate its going concern. Such financings may include the issuance of shares of common stock, warrants to purchase common stock, convertible

ASSURE HOLDINGS CORP.
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(unaudited)

debt or other instruments that may dilute current stockholders. Financing may not be available on acceptable terms depending on market conditions at the time the Company seeks financing. The accompanying consolidated financial statements do not include any adjustments that might become necessary should the Company be unable to continue as a going concern.

Common Stock Reverse Split

During March 2023, the Company effectuated a twenty-for-one reverse stock split. All share, stock option and warrant information has been retroactively adjusted to reflect the stock split. See Note 10 for additional discussion.

Accounting Policies

There have been no changes, except as noted below, to the Company's significant accounting policies or recent accounting pronouncements during the three months ended March 31, 2024, as compared to the significant accounting policies disclosed in the 10-K for the year ended December 31, 2023, as filed on April 26, 2024.

Accounting Policies Recently Adopted

In August 2020, the Financial Accounting Standard Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, which simplifies the accounting for convertible instruments by removing certain separation models such that the embedded conversion features are no longer separated from the host contract. The convertible debt instrument will be accounted for as a single liability measured at amortized cost. This guidance is effective for fiscal years beginning after December 15, 2023, including interim periods within the year. The adoption of this standard on January 1, 2024, utilizing the modified retrospective method, resulted in a \$22 thousand charge to retained earnings.

Recent Accounting Pronouncements Accounting Standards Not Yet Adopted

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires significant segment expenses and other segment related items to be disclosed on an interim and annual basis. The new disclosure requirements are also applicable to companies with a single reportable segment. This guidance is effective on a retrospective basis for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this guidance on the disclosures within its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires disclosure of specific categories in the effective tax rate reconciliation and additional information for reconciling items that meet a quantitative threshold and further disaggregation of income taxes paid for individually significant jurisdictions. This guidance is effective on a prospective or retrospective basis for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this guidance on the disclosures within its consolidated financial statements.

Reclassifications

Certain amounts for the three months ended March 31, 2023 have been reclassified to conform to the 2024 presentation as it relates to assets held for sale and discontinued operations. Total assets, liabilities, equity, and net loss did not change for the prior periods due to the reclassifications.

Credit Risk

Credit risk arises from cash and cash equivalents and trade and other receivables. The exposure to credit risk was as follows (in thousands):

ASSURE HOLDINGS CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

	March 31, 2023	December 31, 2023
Cash	\$ 376	\$ 123
Accounts receivable, net	2,065	3,601
Total	<u>\$ 2,441</u>	<u>\$ 3,724</u>

Cash

Cash is held in financial institutions with good standing, which, at times, may exceed the Federal Deposit Insurance Corporation coverage limit of \$250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Company's financial condition, results of operations, and cash flows.

Accounts receivable

On January 1, 2023, the Company adopted *Accounting Standards Update No. 2016-13*, Measurement of Credit Losses on Financial Instruments, and its related amendments using the prospective method. The new standard requires the use of a current expected credit loss impairment model to develop and recognize credit losses for financial instruments at amortized cost when the asset is first originated or acquired, and each subsequent reporting period.

The cash collection cycles of the Company may be protracted due to the majority of its revenue being billed to third-party commercial insurance payors on an out-of-network basis. The collection cycle for IONM to out-of-network payors may require an extended period to maximize reimbursement on claims, which results in accounts receivable growth tied to the Company's overall growth in technical and professional service revenues. The collection cycle may consist of multiple payments from out-of-network private insurance payors, as the collection process entails multiple rounds of denials, underpayments, appeals and negotiations as part of the process to maximize the reimbursement yield on claims. Based on the Company's historical experience, claims generally become uncollectible once they are aged greater than 24 months; as such, included in the Company's allowance for implicit price concessions is an estimate of the likelihood that a portion of the Company's accounts receivable may become uncollectible due to age. The Company continues collection efforts on claims aged over 24 months. Collections on claims are recorded as revenue in the period received as such collections represent a subsequent change to the initial estimation of the transaction price.

3. DISCONTINUED OPERATIONS

During September 2023, the Company's Board of Directors initiated a process to explore strategic alternatives for the business. In consultation with financial and legal advisors, a comprehensive strategic review process began immediately and evaluated a broad range of options to maximize shareholder value. As part of this review process, Assure's board agreed to conduct an auction process for the sale of its clinical operations. As of the filing date of this Quarterly Report on Form 10Q, Assure is providing IONM services in limited markets, primarily Arizona and Montana.

On March 26, 2024, the Company closed the sale with MPOWER Health of certain assets of its IONM business for up to \$ 4.5 million, of which \$2.3 million was paid in cash at the initial closing and up to an additional \$ 2.2 million to be paid in relation to a potential earnout payment tied to case volume from the acquired assets during the 12-month period following the initial closing. The asset sale includes most of the Company's healthcare facility contracts and clinical equipment, and a majority of the Company's clinical employees. The Company retained certain of its assets, including but not limited to, its accounts receivable, certain clinical employees, its employees in the revenue cycle management team and management and office personnel.

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As a result of the corporate actions described above, the Company's technical and professional services meet the criteria to be considered "held for sale". Accordingly, the assets associated with these services are classified and reflected on our consolidated balance sheets as "held for sale" as of December 31, 2023, and their results of operations are classified as "discontinued operations" in the consolidated statements of operations for the three months ended March 31, 2024 and 2023. Since the sale of clinical assets closed on March 26, 2024, the assets held for sale balance was zero.

The following table presents the major classes of assets of the discontinued operations as of December 31, 2023 (stated in thousands):

	December 31, 2023
Fixed assets	\$ 311
Finance lease right of use asset, net	118
Intangibles, net	98
Goodwill	1,910
Total assets	\$ 2,437

The following table summarizes the results of operations of the discontinued operations (stated in thousands):

	Three Months Ended March 31,	
	2024	2023
Revenue		
Technical services	\$ 1,318	\$ 1,234
Professional services	1,320	1,874
Other	29	329
Revenue, net	2,667	3,437
Cost of revenues, excluding depreciation and amortization	2,363	2,694
Gross margin	304	743
Operating expenses		
Sales and marketing	54	128
Depreciation and amortization	—	182
Total operating expenses	54	310
Income from discontinued operations	250	433
Other income (expense)		
Gain on sale of assets	666	—
Interest expense	(8)	(8)
Total other income (expense)	658	(8)
Income from discontinued operations	908	425
Income tax expense	—	—
Net income from discontinued operations	\$ 908	\$ 425

4. REVENUE

The Company disaggregates revenue between continuing operations and discontinued operations. Revenue streams from contracts with customers depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors. Commercial insurance consists of neuromonitoring cases whereby a patient has healthcare insurance that we bill. Facility billing consists of neuromonitoring cases whereby the Company has an agreement to bill the medical facility for patients that do not have health care insurance.

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The Company does not have any contract assets or contract liabilities as of or during the three months ended March 31, 2024 or 2023 or as of December 31, 2023.

The Company's revenue is as follows (in thousands):

	Three Months Ended March 31,			
	2024		2023	
Managed service agreements and other	\$	9	\$	115

Accounts Receivable

A summary of the accounts receivable, net, by revenue stream is as follows (in thousands):

	March 31, 2024	December 31, 2023
Technical service	\$ 752	\$ 1,308
Professional service	1,191	2,293
Other	122	—
Total receivables, net	<u>\$ 2,065</u>	<u>\$ 3,601</u>

The concentration of accounts receivable, net, by payor as a percentage of total accounts receivable is as follows:

	As of March 31, 2024		As of December 31, 2023	
Commercial insurance	68	%	82	%
Facility billing	26	%	18	%
Other	6	%	—	%
Total	<u>100</u>	<u>%</u>	<u>100</u>	<u>%</u>

5. LEASES

Under ASC 842, *Leases*, a contract is a lease, or contains a lease, if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration. To determine whether a contract conveys the right to control the use of an identified asset for a period of time, an entity shall assess whether, throughout the period of use, the entity has both of the following: (a) the right to obtain substantially all of the economic benefits from the use of the identified asset; and (b) the right to direct the use of the identified asset. The Company does not assume renewals in the determination of the lease term unless the renewals are deemed to be reasonably assured at lease commencement. Lease agreements generally do not contain material residual value guarantees or material restrictive covenants.

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Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term. As a practical expedient, the Company elected not to separate non-lease components for the corporate office facility (e.g., common-area maintenance costs) from lease components (e.g., fixed payments including rent) and instead to account for each separate lease component and its associated non-lease components as a single lease component.

Operating leases

The Company leases a corporate office facility under an operating lease which expires October 31, 2025. The Company entered into a sublease for this space during November 2023 for the remaining lease term. The incremental borrowing rate for this lease was 10%. During November 2023, the Company entered into a month-to-month lease for corporate office space.

During April 2023, the Company entered into a lease for corporate offices space which expires May 2025. The incremental borrowing rate for this lease was 7%

Finance leases

The Company historically leased medical equipment under various financing leases with stated interest rates ranging from 5.2% — 13.4% per annum which expire at various dates through 2026. Finance lease assets are included in assets held for sale as of December 31, 2023. On March 26, 2024, in relation to the sale of certain clinical assets, the Company paid the remaining principal amount due on its outstanding finance leases. As a result, there are no assets remaining under finance leases nor outstanding amounts due.

The condensed consolidated balance sheets include the following amounts for right-of-use ("ROU") assets as of March 31, 2024, and December 31, 2023 (in thousands):

	March 31, 2024	December 31, 2023
Operating	\$ 537	\$ 616

The following are the components of lease cost for operating and finance leases (in thousands). Finance lease costs are included in loss from discontinued operations in the consolidated statements of operations for the periods presented.

	Three Months Ended March 31,	
	2024	2023
Lease cost:		
Operating leases:		
Amortization of ROU assets	\$ 95	\$ 77
Interest on lease liabilities	17	19
Total operating lease cost, included in general and administrative expenses	112	96
Finance leases:		
Amortization of ROU assets	—	77
Interest on lease liabilities	8	14
Total finance lease cost, included in discontinued operations	8	91
Total lease cost	\$ 120	\$ 187

During the three months ended March 31, 2024, the Company incurred operating and finance lease principal payments of \$ 90 thousand and \$408 thousand, respectively, and \$65 thousand and \$163 thousand related to operating and finance lease principal payments, respectively, during the three months ended March 31, 2023.

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The following are the weighted average lease terms and discount rates for operating and finance leases:

	As of March 31, 2024	As of March 31, 2023
Weighted average remaining lease term (years):		
Operating leases	1.0	2.5
Finance leases	—	1.9
Weighted average discount rate (%):		
Operating leases	9.9	5.6
Finance leases	—	9.2

Future minimum lease payments and related lease liabilities as of March 31, 2024, were as follows (in thousands):

	Operating Leases	Finance Leases	Total Lease Liabilities
Remainder of 2024	\$ 323	\$ —	\$ 323
2025	352	—	352
Total lease payments	675	—	675
Less: imputed interest	52	—	52
Present value of lease liabilities	623	—	623
Less: current portion of lease liabilities	388	—	388
Noncurrent lease liabilities	<u>\$ 235</u>	<u>\$ —</u>	<u>\$ 235</u>

Future minimum lease payments exclude short-term leases as well as payments to landlords for variable common area maintenance, insurance and real estate taxes.

6. DEBT

The Company's debt obligations are summarized as follows:

	March 31, 2024	December 31, 2023
Face value of convertible debt	\$ 3,450	\$ 3,450
Less: principal converted to common shares	(394)	(60)
Less: deemed fair value ascribed to conversion feature and warrants	(859)	(1,523)
Plus: accretion of implied interest	851	1,467
Total convertible debt	<u>3,048</u>	<u>3,334</u>
Face value of Centurion debt	10,918	11,000
Less: deemed fair value ascribed to warrants	(1,204)	(1,204)
Plus: accretion of implied interest	851	776
Less: unamortized debt issuance costs	(187)	(227)
Total Centurion debt	<u>10,378</u>	<u>10,345</u>
Total debt	13,426	13,679
Less: current portion of debt	<u>(13,426)</u>	<u>(13,679)</u>
Long-term debt	<u>\$ —</u>	<u>\$ —</u>

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As discussed in Note 2, the Company adopted ASU 2020-06 Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, which simplifies the accounting for convertible instruments by removing certain separation models such that the embedded conversion features are no longer separated from the host contract. The convertible debt instrument will be accounted for as a single liability measured at amortized cost. ASU 2020-06 only applies to the Company's beneficial conversion feature associated with the convertible debt. As of January 1, 2024, the remaining value of the beneficial conversion feature was recorded to retained earnings and the Company no longer incurs accretion expense.

The following table depicts accretion expense and interest expense (excluding debt issuance cost amortization) related to the Company's debt obligations for the three months ended March 31, 2024 and 2023 (in thousands):

	Three Months Ended March 31,	
	2024	2023
Accretion expense		
Convertible debt	\$ 27	\$ 95
Centurion debt	75	75
	<u>\$ 102</u>	<u>\$ 170</u>
Debt issuance cost amortization		
Centurion debt	\$ 40	\$ 39
Interest paid		
Convertible debt	\$ —	\$ 174
Centurion debt	668	376
	<u>\$ 668</u>	<u>\$ 550</u>

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As of March 31, 2024, future minimum principal payments are summarized as follows (in thousands):

	Convertible Debt	Debenture
Principal due in 2024	\$ 3,056	\$ 10,918
Less: fair value ascribed to conversion feature and warrants	(859)	(1,204)
Plus: accretion and implied interest	851	851
Less: debt issuance costs	—	(187)
	<u>\$ 3,048</u>	<u>\$ 10,378</u>

The Centurion debt is contractually due during 2025 but has been classified as current liability for accounting purposes as the Company is not compliant with the Centurion debt covenants as of March 31, 2024.

Convertible Debt

The majority of the convertible debt matured during the period of December 2023 through March 2024. The Company has not paid the contractual amounts due per the terms of the convertible debt agreements. As such, the convertible debt is payable on demand. However, the Company anticipates offering Assure common shares as settlement of the remaining principal and accrued interest. There is no guarantee the Company will be able to settle the amounts outstanding under the Convertible Debenture with common shares of the Company.

During March 2024, the Company entered into exchange agreements with certain Convertible Debenture holders, whereby the Company issued 1,337,371 common shares to settle \$334 thousand of principal and interest owed.

Centurion Debt

In June 2021, Assure issued a debenture to Centurion Financial Trust ("Centurion") with a maturity date of June 9, 2025 (the "Maturity Date"), in the principal amount of \$11 million related to a credit facility comprised of a \$ 6 million senior term loan (the "Senior Term Loan"), a \$2 million senior revolving loan (the "Senior Revolving Loan") and a \$ 3 million senior term acquisition line (the "Senior Term Acquisition Line" and together with the Senior Term Loan and the Senior Revolving Loan, the "Credit Facility"). Additionally, the Company issued 13,750 warrants with an exercise price of \$1.20 which expire on June 14, 2025. During November 2021, the Company and Centurion entered into an amendment to allow the Senior Short Term Acquisition Line to be utilized for organic growth and general working capital purposes. Under the terms and conditions of the debt arrangement, Centurion modified their debt covenant calculations to allow bad debt expense to be excluded.

The Credit Facility matures in June 2025 and bears interest at the rate of the greater of 9.50% or the Royal Bank of Canada Prime Rate plus 7.05% per annum.

During April 2024, the Company entered into an exchange agreement with Centurion whereby the Company issued 236,164 common shares to settle \$141 thousand of outstanding amounts owed under the Debenture agreement.

Short-Term Promissory Notes

During January 2024, the Company entered into short-term promissory notes to settle threatened legal action for a total of \$ 692 thousand. The short-term promissory notes mature January 25, 2025 and incur interest at a rate of 6% per annum. During April 2024, the Company paid \$173 thousand to the short-term promissory note holders in accordance with the terms of the short-term promissory notes.

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7. SHAREHOLDERS' DEFICIT

Common stock

Common stock: 9,000,000 authorized; \$0.001 par value. As of March 31, 2024, and December 31, 2023, there were 8,326,589 and 6,720,460 shares of common stock issued and outstanding, respectively.

On May 14, 2024, the Company reconvened its previously adjourned special meeting of stockholders for which a total of 5,427,462 shares of common stock were present and approved a proposal to increase the authorized shares to 250,000,000.

Nasdaq Notice

On July 25, 2023, the Company received a letter from the Listing Qualifications Staff (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") indicating that, based upon the closing bid price of the Company's common stock, par value \$0.001 per share ("Common Stock"), for the last 30 consecutive business days, the Company is not currently in compliance with the requirement to maintain a minimum bid price of \$1.00 per share for continued listing on The Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the "Notice").

The Notice had no immediate effect on the continued listing status of the Company's Common Stock on The Nasdaq Capital Market, and, therefore, the Company's listing remains fully effective.

The Company is provided a compliance period of 180 calendar days from the date of the Notice, or until January 22, 2024, to regain compliance with the minimum closing bid requirement, pursuant to Nasdaq Listing Rule 5810(c)(3)(A). If at any time before January 22, 2024, the closing bid price of the Company's Common Stock closes at or above \$1.00 per share for a minimum of 10 consecutive business days, subject to Nasdaq's discretion to extend this period pursuant to Nasdaq Listing Rule 5810(c)(3)(G) to 20 consecutive business days, Nasdaq will provide written notification that the Company has achieved compliance with the minimum bid price requirement, and the matter would be resolved. If the Company does not regain compliance during the compliance period ending January 22, 2024, then Nasdaq may grant the Company a second 180 calendar day period to regain compliance, provided the Company meets the continued listing requirement for market value of publicly-held shares and all other initial listing standards for The Nasdaq Capital Market, other than the minimum closing bid price requirement, and notifies Nasdaq of its intent to cure the deficiency.

On August 16, 2023, the Company received notice from the Staff of the Nasdaq that the Company no longer satisfies the \$2.5 million stockholders' equity requirement for continued listing on The Nasdaq Capital Market, or the alternatives to that requirement - a \$35 million market value of listed securities or \$500,000 in net income in the most recent fiscal year or two or the last three fiscal years - as required by Nasdaq Listing Rule 5550(b) (the "Equity Requirement"). The notification is separate from, and in addition to, the previously deficiency letter that the Company received from the Staff on July 25, 2023, as discussed above.

As with the Bid Price Deficiency Letter (as defined above), the Staff's notification had no immediate effect on the Company's continued listing on The Nasdaq Capital Market. In accordance with the Nasdaq Listing Rules, the Company was provided 45 calendar days, or until October 2, 2023, to submit a plan to regain compliance with the Equity Requirement (the "Compliance Plan").

On October 2, 2023, the Company submitted its plan of compliance to the Staff. On November 1, 2023, the Staff provided notice to the Company that the Staff had granted an extension until January 22, 2024, to complete certain key steps of the Company's compliance plan and, assuming those steps are complete on or before January 22, 2024 to complete certain key steps of the Company's compliance plan.

On January 24, 2024, the Company received a determination letter (the "Determination Letter") from the Staff stating that it had not regained compliance with Listing Rule 5550(a)(2) and is not eligible for a second 180-day period to regain compliance. The Company appealed the Staff's determination, pursuant to the procedures set forth in the Nasdaq Listing Rule 5800 Series and had a hearing with

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a Nasdaq Hearings Panel (the "Panel") on April 9, 2024. The Company still awaiting the Panel's decision on whether the Company's plan as presented to the Panel has been accepted.

Based on the Company's representations made in its compliance plan submitted to the Staff, on November 1, 2023, the Staff granted the Company an extension until January 22, 2024, to regain compliance with the Equity Requirement. However, the Staff indicated in the Determination Letter that, pursuant to Listing Rule 5810(d)(2), this deficiency serves as an additional and separate basis for delisting, and as such, the Company should address its non-compliance with the Equity Requirement before the Panel, if it appeals the Staff's determination, which the Company has done.

On May 16, 2024, the Company received a written notice from the Panel that it has granted the Company an extension to regain compliance with the continued listing requirements for The Nasdaq Capital Market (the "Panel Decision"). The Hearings Panel granted the Company an extension until July 22, 2024, by which date the Company will be required to demonstrate compliance with all applicable initial listing requirements for the Nasdaq Capital Market in relation to its completion of its previously announced transaction with Danam.

There can be no assurance that the Company will be able to regain compliance with the applicable Nasdaq listing requirements, or that a Panel will not stay the suspension of the Company's securities prior to July 22, 2024 for failure of the Company to comply with its plan as presented to the Panel or for other subsequent deficiencies in meeting the listing requirements of the Nasdaq Capital Market.

If Nasdaq delists the Company's common stock from trading on its exchange and the Company is not able to list securities on another national securities exchange, management expect its securities could be quoted on an over-the-counter market. If this were to occur, the Company could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that the common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Reverse Share Split

During March 2023, the total number of shares of common stock authorized by the Company was reduced from 180,000,000 shares of common stock, par \$0.001, to 9,000,000 shares of common stock, par \$0.001, and the number of shares of common stock held by each stockholder of the Company were consolidated automatically into the number of shares of common stock equal to the number of issued and outstanding shares of common stock held by each such stockholder immediately prior to the reverse split divided by twenty (20): effecting a twenty (20) old for one (1) new reverse stock split.

No fractional shares were issued in connection with the reverse split and all fractional shares were rounded up to the next whole share.

Additionally, all options, warrants and other convertible securities of the Company outstanding immediately prior to the reverse split were adjusted by dividing the number of shares of common stock into which the options, warrants and other convertible securities are exercisable or convertible by twenty (20) and multiplying the exercise or conversion price thereof by twenty (20), all in accordance with the terms of the plans, agreements or arrangements governing such options, warrants and other convertible securities and subject to rounding to the nearest whole share.

All shares of common stock, options, warrants and other convertible securities and the corresponding price per share amounts have been presented to reflect the reverse split in all periods presented within this Form 10-Q.

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Share Issuance

During March 2024, the Company issued 268,758 common shares to the members of the Board of Directors for compensation amounts owed from April 1, 2023 through March 31, 2024.

During March 2024, the Company entered into exchange agreements with certain Convertible Debenture holders, whereby the Company agreed to issue 1,337,371 common shares to settle \$334 thousand of principal and interest owed (Note 6).

During March 2023, the Company completed a private placement for 50,000 common shares at \$6.00 per common shares for gross proceeds of \$300 thousand.

Stock options

On December 10, 2020, shareholders approved amendments to the Company's stock option plan, which amended the plan previously approved on November 20, 2019 (the "Amended Stock Option Plan"). On December 10, 2020, the Company's shareholders approved the adoption of a new fixed equity incentive plan (the "Equity Incentive Plan"), which authorizes the Company to grant (a) stock options, (b) restricted awards, (c) performance share units, and other equity-based awards for compensation purposes (collectively, "Awards").

In November 2021, the Company adopted and approved the 2021 Stock Incentive Plan and the 2021 Employee Stock Purchase Plan. The intent of the Company and the Board of Directors is that while the amended 2020 stock option plan and the 2020 equity incentive plan will continue in existence in relation to the options and awards previously granted, the Board will not grant future options or awards thereunder. Instead, only the 2021 Stock Incentive Plan will be used for the grant of options and awards to eligible participants.

As of March 31, 2024, there was 19,555 stock options outstanding under the Amended Stock Option Plan. No additional stock options will be issued under the Amended Stock Option Plan. As of March 31, 2024, there was 1,500 stock options outstanding and an aggregate of 98,500 shares of common stock were available for issuance under the 2021 Stock Option Plan. As of March 31, 2024, no transactions have occurred under the 2021 Employee Stock Purchase Plan.

Options under the 2021 Stock Option Plan are granted from time to time at the discretion of the Board of Directors, with vesting periods and other terms as determined by the Board of Directors.

A summary of the stock option activity is presented below:

	Number of Shares Subject to Options	Options Outstanding		Aggregate Intrinsic Value (in thousands)
		Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)	
Balance at December 31, 2022	49,040	\$ 129.60	2.8	
Options granted	10,000	\$ 0.86		
Options canceled	(22,615)	\$ 130.82		
Balance at December 31, 2023	36,425	\$ 93.55	3.5	
Options expired	(5,370)	\$ 156.00		
Options canceled	(10,000)	\$ 0.86		
Balance at March 31, 2024	21,055	\$ 121.65	2.0	\$ —
Vested and exercisable at March 31, 2024	20,265	\$ 121.81	1.9	\$ —

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The following table summarizes information about stock options outstanding and exercisable under the Company's Stock Option Plan at March 31, 2024:

Options Outstanding				Options Exercisable		
Number of Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price Per Share		Number Exercisable	Weighted Average Exercise Price Per Share	
2,475	0.5	\$ 128.00		2,475	\$ 128.00	
9,830	1.8	\$ 106.00		9,830	\$ 106.00	
1,500	2.0	\$ 112.00		1,300	\$ 112.00	
5,750	2.5	\$ 153.00		5,560	\$ 153.00	
1,500	2.9	\$ 103.20		1,100	\$ 103.20	
21,055	2.0	\$ 121.65		20,265	\$ 121.81	

The Company uses the Black-Scholes option pricing model to determine the estimated fair value of options. The fair value of each option grant is determined on the date of grant and the expense is recorded on a straight-line basis and is included as a component of general and administrative expense in the consolidated statements of operations. The assumptions used in the model include expected life, volatility, risk-free interest rate, dividend yield and forfeiture rate. The Company's determination of these assumptions is outlined below.

Expected life — The expected life assumption is based on an analysis of the Company's historical employee exercise patterns.

Volatility — Volatility is calculated using the historical volatility of the Company's common stock for a term consistent with the expected life.

Risk-free interest rate — The risk-free interest rate assumption is based on the U.S. Treasury rate for issues with remaining terms similar to the expected life of the options.

Dividend yield — Expected dividend yield is calculated based on cash dividends declared by the Board for the previous four quarters and dividing that result by the average closing price of the Company's common stock for the quarter. The Company has not declared a dividend to date.

Forfeiture rate — The Company does not estimate a forfeiture rate at the time of the grant due to the limited number of historical forfeitures. As a result, the forfeitures are recorded at the time the grant is forfeited, which can result in negative stock-based compensation expense in the period of forfeiture.

The Company did not grant any stock options during the three months ended March 31, 2024 or 2023.

Stock-based compensation (benefit) expense for the three months ended March 31, 2024 and 2023 was \$ 174 thousand and \$(10) thousand, respectively. The stock-based compensation benefit for the three months ended March 31, 2023, was related to stock option forfeitures and cancellations. As of March 31, 2024, there was approximately \$254 thousand of total unrecognized compensation cost related to 790 unvested stock options that is expected to be recognized over a weighted-average remaining vesting period of 2.5 years.

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Warrants

As of March 31, 2024 and December 31, 2023, there were 194,974 warrants outstanding.

The following table summarizes warrants outstanding by transaction type:

	Number of Warrants outstanding
Convertible debt, warrants issued	8,645
Debenture, warrants issued	13,750
Other warrants issued	9,000
December 2020 equity financing warrants issued	163,579
Total warrant outstanding	194,974

8. LOSS PER SHARE

The following table sets forth the computation of basic and fully diluted loss per share for the three months ended March 31, 2024 and 2023 (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2024	2023
Net loss from continuing operations	\$ (4,669)	\$ (3,569)
Income from discontinued operations	908	425
Net loss	<u>\$ (3,761)</u>	<u>\$ (3,144)</u>
Loss from continuing operations, basic and diluted	\$ (0.67)	\$ (3.38)
Income from discontinued operations, basic and diluted	0.13	0.40
Loss per share, basic and diluted	<u>\$ (0.54)</u>	<u>\$ (2.98)</u>
Basic weighted average common stock outstanding	6,999,879	1,054,933
Dilutive weighted average common stock outstanding	6,999,879	1,054,933

Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted net income loss per share is computed using the treasury stock method to calculate the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential dilutive common shares include incremental common shares issuable upon the exercise of stock options, less shares from assumed proceeds. The assumed proceeds calculation includes actual proceeds to be received from the employee upon exercise and the average unrecognized stock compensation cost during the period.

Stock options to purchase 21,055 and 44,900 shares of common stock and warrants to purchase 194,974 and 196,170 shares of common stock were outstanding at March 31, 2024 and 2023, respectively, that were not included in the computation of diluted weighted average common stock outstanding because their effect would have been anti-dilutive.

9. COMMITMENTS AND CONTINGENCIES

Indemnifications

The Company is a party to a variety of agreements in the ordinary course of business under which it may be obligated to indemnify third parties with respect to certain matters. These obligations include, but are not limited to, contracts entered into with physicians where the Company agrees, under certain circumstances, to indemnify a third party, against losses arising from matters including but not limited

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(unaudited)

to medical malpractice and other liability. The impact of any such future claims, if made, on future financial results is not subject to reasonable estimation because considerable uncertainty exists as to final outcome of these potential claims.

As permitted under Nevada law, the Company has agreements whereby it indemnifies its officers and directors for certain events or occurrences while the officer or director is, or was, serving at the Company's request in such capacity. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited; however, the Company believes, given the absence of any such payments in the Company's history, and the estimated low probability of such payments in the future, that the estimated fair value of these indemnification agreements is immaterial. In addition, the Company has directors' and officers' liability insurance coverage that is intended to reduce its financial exposure and may enable the Company to recover any payments, should they occur.

In April 2022, the U.S. Department of Justice ("DOJ") issued Civil Investigative Demands which seek information with respect to a civil investigation under the Anti-kickback Statute and the False Claims Act. The Company voluntarily contacted the DOJ offering to provide any materials needed in the investigation and to answer any questions. While the Company's policy during the relevant time was to not seek payments from federal health care programs, the third-party billing company utilized at that time submitted some claims to Medicare Advantage plans administered by commercial insurance companies. The Company has worked diligently to ensure that payments from Medicare Advantage plans have been returned to the commercial insurance companies and believes it has returned substantially all such payments that it has discovered, totaling approximately \$450 thousand.

During February 2024, a Settlement Agreement ("Agreement") was executed between Assure and the United States Department of Justice ("DOJ").

In exchange for a payment of approximately \$1 million, the Agreement releases Assure from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud. Payments are in equal monthly installments over the next 12 months.

10. SUBSEQUENT EVENT

Issuance of Common Shares In Lieu

During April 2024, the Company entered into an exchange agreement with Centurion whereby the Company agreed to issue 236,164 common shares to settle \$141 thousand of outstanding amounts owed under the Debenture agreement (Note 6).

Subscription Agreement with Innovation

On April 8, 2024, the Corporation entered into a subscription agreement with Innovation pursuant to which Innovation agreed to the cancellation of \$270,000 of future installment payments under the Asset Purchase Agreement dated August 2, 2023 by and between the Corporation and Innovation as consideration for the subscription of 437,247 shares of common stock of the Corporation representing a deemed exchange price of \$0.6175 per share.

Nasdaq

On May 16, 2024, the Company received a written notice from the Panel that it has granted the Company an extension to regain compliance with the continued listing requirements for The Nasdaq Capital Market (the "Panel Decision"). The Hearings Panel granted the Company an extension until July 22, 2024, by which date the Company will be required to demonstrate compliance with all applicable initial listing requirements for the Nasdaq Capital Market in relation to its completion of its previously announced transaction with Danam.

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

The following discussion should be read in conjunction with the attached unaudited condensed consolidated financial statements and notes thereto, and with our audited financial statements and notes thereto for the year ended December 31, 2023, found in the annual report on Form 10-K filed by Assure Holdings Corp. on April 26, 2024 (the "Form 10-K")

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, and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this Annual Report, including statements regarding the Company's future financial condition, results of operations, plans, objectives, expectations, future performance, business operations and business prospects, are forward-looking statements and may be identified by the use of words including, but not limited to the following; "may," "believe," "will," "expect," "project," "estimate," "anticipate," "plan," "continue," or the negative thereof or other variations thereon or comparable terminology.

These forward-looking statements are based on our management's current plans and expectations and are subject to uncertainty and changes in circumstances. We cannot assure you that future developments affecting us will be those that we have anticipated or occur in the manner we expected. Actual results may differ materially from these expectations due to changes in expected future political, legal, economic, business, competition, market and regulatory conditions and other factors and assumptions of management in making such statements, many of which are beyond our control.

Although forward-looking statements in this Quarterly Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks, uncertainties, and changes in condition, significance, value, and effect, including those discussed under the heading "Risk Factors" in our annual report on Form 10-K and other documents we file from time to time with the Securities and Exchange Commission ("SEC"), such as our quarterly reports on Form 10-Q and our current reports on Form 8-K. Such risks, uncertainties and changes in condition, significance, value, and effect could cause our actual results to differ materially from those expressed herein and in ways not readily foreseeable. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Quarterly Report and are based on information currently and reasonably known to us. We undertake no obligation to revise or update any forward-looking statements to reflect any event or circumstance that may arise after the date of this Quarterly Report, other than as required by law. Readers are urged to carefully review and consider the various disclosures made in this Quarterly Report, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

As used in this Quarterly Report, references to "Assure," the "Company," "we," "our," or "us" mean Assure Holdings Corp., and consolidated subsidiaries, or any one or more of them, as the context requires.

OVERVIEW

Assure is a provider of Intraoperative neuromonitoring ("IONM"). The Company delivers a turnkey suite of clinical and operational services to support surgeons and medical facilities during invasive surgical procedures. IONM has been well established as a standard of care and risk mitigation tool for various surgical verticals such as neurosurgery, spine, cardiovascular, orthopedic, ear, nose, and throat ("ENT"), and other surgical procedures that place the nervous system at risk. Accredited by The Joint Commission, Assure's mission is to provide exceptional surgical care and help make invasive surgeries safer. Our strategy focuses on utilizing best of class personnel and partners to deliver outcomes that are beneficial to all stakeholders including patients, surgeons, hospitals, insurers, and stockholders.

During each procedure, Assure provides two types of services, the Technical Component and Professional Component of IONM. Our in-house Intraoperative Neurophysiologists ("INP") provide the Technical Component IONM services from the operating room throughout the procedure, while telehealth-oriented supervising practitioners provide a level of redundancy and risk mitigation in support of the onsite INPs and the surgical team. In addition, Assure offers a comprehensive suite of IONM services, including scheduling the INP and supervising practitioner, real time monitoring, patient advocacy and subsequent billing and collecting for services provided.

Clinical leadership, surgeon support and patient care are Assure's cornerstones. We make substantial ongoing investments in our training and development of clinical staff and have created a training program to rigorously train new INPs to cost-effectively join the Assure team. In addition, we have partnered with the internationally renowned Texas Back Institute on clinical research relating to IONM safety and efficacy.

Historically, the foundation of Assure's business has been providing the Technical Component of IONM via our INP staff. We employ highly trained INPs, which provide a direct point of contact in the operating room during the surgeries to relay critical information to the surgical team. In this one-to-one business model, Assure pairs a team of INPs with third-party surgeons to promote a level of familiarity, comfort and efficiency between the surgeon and the INP. Each INP can support approximately 200 cases annually. Our INPs monitor the surgical procedure using state of the art, commercially available, diagnostic medical equipment. Assure INP's are certified by a third-party accreditation board, ABRET Neurodiagnostic Credentialing and Accreditation ("ABRET"). The success of our service depends upon the timely recognition and successful interpretation of the data signals by our INPs and remote supervisors to quickly determine if the patient is experiencing a deficiency and advise the surgeon to determine if surgical intervention is required to positively impact the patient and surgery.

The Professional Component of IONM is provided via tele-neurology services under a one-to-many business model, and as a result, has a different financial profile than the Technical Component. Supervising practitioners provide tele-neurology services from an off-site location and maintain the ability to monitor multiple surgical cases simultaneously. As a result, each supervising practitioner has the ability to monitor approximately 2,500 or more cases annually.

Assure has made substantial investments to make its revenue cycle management function more data-driven, analytical, and automated. This modernization facilitated successful state-level arbitrations in 2022 and federal arbitrations in 2023. Many IONM competitors, particularly smaller peers that remain reliant on third-party billing companies lack the analytics and transparency to similarly leverage opportunities presented by the arbitration process. The Company intends to continue to seek arbitration opportunities related to uncollected accounts receivable.

During the fourth quarter of 2022 and throughout 2023, the Company exited the majority of business under Assure's legacy Managed Service Agreement ("MSA") model in order to keep all revenue generated from services provided by the Professional Component of IONM. The Company expects the remaining MSA relationships to be terminated during 2024.

During September 2023, the Company's Board of Directors initiated a process to explore strategic alternatives for the business. In consultation with financial and legal advisors, a comprehensive strategic review process began immediately and evaluated a broad range of options to maximize shareholder value. As part of this review process, Assure's board agreed to conduct an auction process for the sale of its clinical operations. On March 26, 2024, Assure closed the sale transaction resulting in the sale of most of the Company's clinical operations, equipment, and contracts. As of the filing date of this Quarterly Report on Form 10-Q, Assure is providing IONM services in limited markets, primarily Arizona and Montana. During February 2024, Assure entered an Agreement and Plan of Merger (the "Merger Agreement") with Danam Health, Inc. ("Danam"). Danam delivers unique solutions for pharmacies, providers, pharmaceutical manufacturers, and payors focused on improving the lives of patients.

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"): (i) each share of Danam capital stock issued and outstanding immediately prior to the Effective Time shall automatically be converted into and become the right to receive the applicable per share portion of the "merger consideration" as set forth in the allocation statement to be delivered pursuant to the Merger Agreement ("merger consideration" is defined in the Merger Agreement to mean a number of shares of common stock of the Company equal to (a) the quotient obtained by dividing (i) the number of shares of capital stock of the Company on a fully diluted basis (the "Assure Fully Diluted Share Number") by (ii) the quotient of (A) the adjusted value of the Company dividend by (B) the sum of the adjusted value of the Company and the adjusted value of Danam, minus (b) the Assure Fully Diluted Share Number minus (c) the number of shares of common stock of the Company the warrants of Danam will become exercisable for upon closing of the Merger); (ii) each outstanding warrant of Danam will be assumed by the Company and become a warrant to purchase an adjusted number of shares of common stock of the Company, at an adjusted exercise price per share but subject to the same terms and conditions as the warrant of Danam.

Following the closing of the Merger, the former equity holders of the Company immediately before the Merger are expected to own approximately 10% of the outstanding capital stock of the combined company on a fully diluted basis and the equity holders of Danam

immediately before the Merger are expected to own approximately 90% of the outstanding capital stock of the combined company on a fully diluted basis.

Upon closing of the Merger, the Company will be renamed Danam Health Holdings Corp. Suren Ajarapu will serve as Chairman of the Board of Directors and Tim Canning will serve as the Chief Executive Officer of the combined company. The Merger Agreement provides that the Board of Directors of the combined company will be comprised of four members which will be filled upon completion of the Merger to be designated by Danam.

The Merger Agreement contains customary representations, warranties and covenants of the Company and Danam, including covenants relating to the conduct of the business of both the Company and Danam from the date of signing the Merger Agreement through closing of the Merger, obtaining the requisite approval of the stockholders of the Company and Danam and maintain the listing of the common stock of the Company on the NASDAQ Capital Market and applying for the continued listing of Danam after the closing of the Merger on the NASDAQ Capital Market. Under the terms of the Merger Agreement, the Company has also agreed not to solicit from any person an acquisition proposal (as defined in the Merger Agreement) for the Company.

In connection with the Merger, the Company will prepare and file with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 that will contain a prospectus and a proxy statement, and will seek the approval of the Company's stockholders with respect to certain actions, including approval of the Merger.

Additional Information and Where to Find It

This section of the Quarterly Report may be deemed to be solicitation material with respect to the proposed transactions between Assure and Danam Health Inc. In connection with the proposed transaction, Assure has filed relevant materials with the SEC, including a registration statement on Form S-4, filed with the SEC on May 3, 2024, that contains a prospectus and a proxy statement. Assure will mail the proxy statement/prospectus to the Assure and Danam stockholders, and the securities may not be sold or exchanged until the registration statement becomes effective.

Investors and securityholders of Assure and Danam are urged to read these materials when they become available because they will contain important information about Assure, Danam and the proposed transactions. This section of the Quarterly Report is not a substitute for the registration statement, definitive proxy statement/prospectus or any other documents that Assure may file with the SEC or send to securityholders in connection with the proposed transactions. Investors and securityholders may obtain free copies of the documents filed with the SEC, once available, on Assure's website at www.assureneuromonitoring.com, on the SEC's website at www.sec.gov or by directing a request to Assure at 7887 E. Belleview Ave., Suite 240, Denver, Colorado, USA 80111, Attention: John Farlinger, Chief Executive Officer; or by email at ir@assureiom.com.

Participants in the Solicitation

Each of Assure and Danam and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Assure in connection with the proposed transaction. Information about the executive officers and directors of Assure are set forth in Assure's Definitive Proxy Statement on Schedule 14A relating to the 2023 Annual Meeting of Stockholders of Assure, filed with the SEC on December 5, 2023 and in Assure's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on April 26, 2024. Other information regarding the interests of such individuals, who may be deemed to be participants in the solicitation of proxies for the stockholders of Assure are set forth in the proxy statement/prospectus, which is included in Assure's registration statement on Form S-4 filed with the SEC on May 3, 2024. You may obtain free copies of these documents as described above.

The Company has financed its cash requirements primarily from revenues generated from its services, by utilizing debt facilities and from the sale of common stock.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2024, Compared to the Three Months Ended March 31, 2023

	Three Months Ended March 31,		Change	Change
	2024	2023	\$	%
Revenue	\$ 9	\$ 115	\$ (106)	(92)%
Cost of revenues	475	679	(204)	(30)%
Gross margin	(466)	(564)	98	(17)%
Operating expenses (income)				
General and administrative	3,911	3,211	700	22 %
Depreciation and amortization	—	2	(2)	(100)%
Gain on settlement of accounts payable	(181)	—	(181)	100 %
Total operating expenses	3,730	3,213	517	16 %
Loss from operations	(4,196)	(3,777)	(419)	(11)%
Other income (expenses)				
Income from equity method investments	—	25	(25)	100 %
Interest expense	(527)	(501)	(26)	5 %
Other income, net	156	58	98	169 %
Accretion expense	(102)	(170)	68	40 %
Total other income (expense), net	(473)	(588)	115	(20)%
Loss from continuing operations before taxes	(4,669)	(4,365)	(304)	(7)%
Income tax benefit on continuing operations	—	796	(796)	(100)%
Loss from continuing operations	(4,669)	(3,569)	(1,100)	31 %
Income from discontinued operations, net of tax	908	425	483	114 %
Net loss	\$ (3,761)	\$ (3,144)	\$ (617)	(20)%
Loss per share				
Loss from continuing operations, basic and diluted	\$ (0.67)	\$ (3.38)	\$ 2.71	80 %
Income from discontinued operations, basic and diluted	0.13	0.40	(0.27)	68 %
Loss per share, basic and diluted	\$ (0.54)	\$ (2.98)	\$ 2.44	82 %
Weighted average number shares – basic	6,999,879	1,054,933	5,944,946	564 %
Weighted average number shares – diluted	6,999,879	1,054,933	5,944,946	564 %

Revenue

Total revenue for the three months ended March 31, 2024 and 2023, were \$9 thousand and \$115 thousand, respectively. Revenue is generated by our revenue cycle management team under legacy managed service agreements for billing and collecting for professional services provided by our business partners. The decrease in revenue is attributable to the Company's efforts to exit the managed service arrangements during 2023.

Cost of revenues

Cost of revenues for the three months ended March 31, 2024 and 2023, were \$475 thousand and \$679 thousand, respectively. Cost of revenues consist primarily of the cost of our internal billing and collection department and decreased slightly related to the decrease in headcount.

General and administrative

General and administrative expenses for the three months ended March 31, 2024 and 2023, were \$3.9 million and \$3.2 million, respectively. The overall increase is primarily related to an increase in legal fees associated with the sale of clinical assets, the proposed merger and settlement, partially offset by a decrease in employee compensation and benefits.

Gain on settlement of accounts payable

During the three months ended March 31, 2024, the Company settled certain amounts of accounts payable for less than the original amounts owed which resulted in a gain of \$181 thousand. There were no such transactions during the three months ended March 31, 2023.

Interest expense

Interest expense was \$527 thousand for the three months ended March 31, 2024, compared to \$501 thousand for the three months ended March 31, 2023. The increase year-over-year is primarily due to higher outstanding debt balances. Specifically, interest expense was \$76 thousand and \$76 thousand for the three months ended March 31, 2024 and 2023 related to the convertible debt, respectively, and \$409 thousand and \$376 thousand for the three months ended March 31, 2024 and 2023, respectively, for the Centurion debt. The remaining amount of interest expense is associated with implied interest on the Company's lease obligations.

Accretion expense

The Company recorded non-cash accretion expense of \$102 thousand and \$170 thousand for the three months ended March 31, 2024 and 2023, respectively. The Company accretes the difference between the fair value of the convertible debt and the debenture and the face value of the convertible debt and the debenture over the term of the convertible debt and the debenture. Specifically, accretion expense was \$27 thousand and \$95 thousand for three months ended March 31, 2024 and 2023, respectively related to the convertible debt and \$75 thousand for each period related to the Centurion debt.

Income tax benefit

For the three months ended March 31, 2024, income tax benefit was \$nil compared to \$796 thousand for the three months ended March 31, 2023. The Company's estimated annual tax rate is impacted primarily by the amount of taxable income earned in each jurisdiction the Company operates in and permanent differences between financial statement carrying amounts and the tax basis.

Discontinued operations

	Three Months Ended March 31,	
	2024	2023
Revenue		
Technical services	\$ 1,318	\$ 1,234
Professional services	1,320	1,874
Other	29	329
Revenue, net	2,667	3,437
Cost of revenues, excluding depreciation and amortization	2,363	2,694
Gross margin	304	743
Operating expenses		
Sales and marketing	54	128
Depreciation and amortization	—	182
Total operating expenses	54	310
Income from discontinued operations	250	433
Other income (expense)		
Gain on sale of assets	666	—
Interest expense	(8)	(8)
Total other income (expense)	658	(8)
Income from discontinued operations	908	425
Income tax expense	—	—
Net income from discontinued operations	\$ 908	\$ 425

Income from discontinued operations was \$908 thousand for the three months ended March 31, 2024, compared to \$425 thousand for the three months ended March 31, 2023. The sale of assets resulted in a gain of \$666 thousand for the three months ended March 31, 2024. Discontinued operations consist of the following activities:

Technical and professional service revenue is recognized in the period in which IONM services are rendered, at net realizable amounts due from third party payors when collections are reasonably assured and can be estimated. The majority of the Company's services are rendered on an out-of-network basis and billed to third-party insurers. We estimate out-of-network technical and professional revenue per case based upon our historical cash collection rates from private health insurance carriers. Our revenue estimation process for out-of-network revenue is based on the collection experience from insurance cases that are between 1 and 24 months old as management believes the more recent collection experience is more indicative of future per case collection rates. The Company reserves accounts receivable beginning in the fifth quarter after date of service and continuing to increase the reserve percentage until the receivable is aged to 24 months and a day from the date of service at which point it is fully reserved.

Cost of revenues consist primarily of the cost of technologist and supervising practitioner wages, third-party supervising practitioner fees, and medical supplies. Technologist and supervising practitioner wages and medical supplies vary with the number of neuromonitoring cases. The decrease in costs of revenues is primarily related to the Company's efforts focused on reducing the Company's average cost of delivery in providing our services, both on the technologist and the remote neurology parts of the business.

Additionally, discontinued operations consist of sales and marketing expenses related to the generation of revenue and depreciation, amortization and implied interest expenses related to the medical equipment utilized in operations.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Funding Requirements

Our cash position as of March 31, 2024, was \$376 thousand compared to the December 31, 2022 cash balance of \$123 thousand. Working capital was negative \$19.0 million as of March 31, 2024, compared to negative \$15.5 million at December 31, 2023. Our working capital balance and our estimated cash flows from operations during 2024 will not support our operating activities and our obligations for the next 12 months. We intend to seek equity or debt financing and have implemented significant cost cutting measures to mitigate our going concern. Such financings may include the issuance of shares of common stock, warrants to purchase common stock, convertible debt or other instruments that may dilute our current stockholders. Financing may not be available to us on acceptable terms depending on market conditions at the time we seek financing. We applied for a \$3.2 million refund under the CARES Act Employee Retention Credit program, however there is no guarantee when, or if, these funds will be received during 2024. Furthermore, our independent registered public accountants have expressed that substantial doubt exists as to the Company's ability to continue as a going concern.

On July 25, 2023, the Company received a letter from the Listing Qualifications Staff of The Nasdaq Stock Market LLC ("Nasdaq") indicating that, based upon the closing bid price of the Company's common stock for 30 consecutive business days, the Company is not currently in compliance with the requirement to maintain a minimum bid price of \$1.00 per share for continued listing on The Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the "Notice").

On August 16, 2023, the Company received notice from the Staff of the Nasdaq that the Company no longer satisfies the \$2.5 million stockholders' equity requirement for continued listing on The Nasdaq Capital Market, or the alternatives to that requirement - a \$35 million market value of listed securities or \$500,000 in net income in the most recent fiscal year or two or the last three fiscal years - as required by Nasdaq Listing Rule 5550(b) (the "Equity Requirement"). The notification is separate from, and in addition to, the previously deficiency letter that the Company received from the Staff on July 25, 2023, as discussed above.

During November 2023, the Company received notice from the Staff of the Nasdaq that the Staff has determined to grant the Company an extension of time to regain compliance with Listing Rule 5550(b) (the "Rule"). The Rule requires a minimum \$2,500,000 stockholders' equity, \$35,000,000 market value of listed securities, or \$500,000 net income from continuing operations (the "Equity Requirement").

On October 2, 2023, the Company submitted its plan of compliance to the Staff. On November 1, 2023, the Staff provided notice to the Company that the Staff had granted an extension until January 22, 2024, to complete certain key steps of the Company's compliance plan and, assuming those steps are complete on or before January 22, 2024 to complete certain key steps of the Company's compliance plan.

Based on the Company's representations made in its compliance plan submitted to the Staff, on November 1, 2023, the Staff granted the Company an extension until January 22, 2024, to regain compliance with the Equity Requirement. However, the Staff indicated in the Determination Letter that, pursuant to Listing Rule 5810(d)(2), this deficiency serves as an additional and separate basis for delisting, and as such, the Company should address its non-compliance with the Equity Requirement before the Panel, if it appeals the Staff's determination, which the Company has done.

On January 24, 2024, the Company received a determination letter (the "Determination Letter") from the Staff stating that it had not regained compliance with Listing Rule 5550(a)(2) and is not eligible for a second 180-day period to regain compliance. The Company appealed the Staff's determination, pursuant to the procedures set forth in the Nasdaq Listing Rule 5800 Series and had a hearing with a Nasdaq Hearings Panel (the "Panel") on April 9, 2024.

On May 16, 2024, the Company received a written notice from the Panel that it has granted the Company an extension to regain compliance with the continued listing requirements for The Nasdaq Capital Market (the "Panel Decision"). The Hearings Panel granted the Company an extension until July 22, 2024, by which date the Company will be required to demonstrate compliance with all applicable initial listing requirements for the Nasdaq Capital Market in relation to its completion of its previously announced transaction with Danam.

There can be no assurance that the Company will be able to regain compliance with the applicable Nasdaq listing requirements, or that a Panel will not stay the suspension of the Company's securities prior to July 22, 2024 for failure of the Company to comply with its plan as presented to the Panel or for other subsequent deficiencies in meeting the listing requirements of the Nasdaq Capital Market.

If Nasdaq delists our common stock from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future

We are also dependent on Centurion granting us certain add-backs and other one-time adjustments in the calculation of our financial covenants related to EBITDA related to the Centurion debt and if we are not granted such allowances we may not meet our financial covenants which could result in a default on our obligations and the lender could foreclose on our assets if we cannot otherwise payoff the debt. We currently owe approximately \$11 million in face amount on the Centurion debt. As of December 31, 2023, the Company was not in compliance with the Debenture debt covenants. As a result, Centurion may demand full repayment of the outstanding principal and interest. Additionally, approximately \$3.0 million in convertible debentures, the majority of which have matured but have not been repaid according to the terms and conditions of the underlying note agreements, and may be payable on demand.

Our near-term cash requirements relate primarily to payroll expenses, trade payables, debt payments, capital lease payments, and general corporate obligations.

Cash flows from operating activities

For the three months ended March 31, 2024, we collected approximately \$3.9 million of receivables compared to collecting approximately \$4.5 million in the same prior year period. As of March 31, 2024, accounts receivable, which are recorded net of implicit

price concessions, was \$2.1 million compared to \$3.6 million at December 31, 2023. The decrease in our accounts receivable balance during 2024 is primarily related to the increased velocity of cash receipts and implicit price concession charges.

Cash used in operating activities for the three months ended March 31, 2024, and 2023 was \$1.5 million and \$497 thousand, respectively. Cash was used to fund operations and to fund operations.

Cash flows from investing activities

Cash provided by investing activities of \$2.3 million for the three months ended March 31, 2024, was related the proceeds from the sales of clinical assets. Cash provided by investing activities of \$37 thousand for the three months ended March 31, 2023 was related the PE distributions of \$37 thousand.

Cash flows from financing activities

Cash used in financing activities of \$603 thousand for the three months ended March 31, 2024, resulted from debt repayment of \$82 thousand, finance lease principal payments of \$408 thousand and acquisition liability payments of \$113 thousand. Cash provided by financing activities of \$60 thousand for the three months ended March 31, 2023 resulted from \$300 thousand associated with a private placement of 50,000 common shares at a price of \$6.00 per common share, partially offset by finance lease principal payments of \$163 thousand and acquisition liability payments of \$77 thousand.

Off-Balance Sheet Arrangements

We have no material undisclosed off-balance sheet arrangements that have or are reasonably likely to have, a current or future effect on our results of operations or financial condition.

CRITICAL ACCOUNTING POLICIES

We prepare our consolidated financial statements in conformity with GAAP. Application of GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes and within this Management's Discussion and Analysis of Financial Condition and Results of Operations section. We consider our most important accounting policies that require significant estimates and management judgment to be those policies with respect to revenue, accounts receivable, stock-based compensation, acquired intangible assets, goodwill, and income taxes, which are discussed below. Our other significant accounting policies are summarized in Note 2, "Basis of Presentation" and Note 3, "Summary of Significant Accounting Policies," of the Notes to Consolidated Financial Statements included in the Annual Report on Form 10-K for the year ended December 31, 2023 as filed with the Securities and Exchange Commission on April 26, 2024.

We continually evaluate the accounting policies and estimates used to prepare the consolidated financial statements. In general, our estimates are based on historical experience, evaluation of current trends, information from third-party professionals and various other assumptions that we believe to be reasonable under the known facts and circumstances. Estimates can require a significant amount of judgment and a different set of assumptions could result in material changes to our reported results.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q for the months ended March 31, 2024, an evaluation was carried out under the supervision of, and with the participation of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on that evaluation, the CEO and the CFO have concluded

that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were not effective in ensuring that (i) information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Material Weaknesses

Management noted inadequate controls over the review of the accounting for complex transactions and financial reporting which management believes to be a material weakness.

A material weakness (within the meaning of PCAOB Auditing Standard No. 5) is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

In response to the identified material weakness, during the fourth quarter of 2023 and through the first quarter of 2024, management has implemented a rigorous review process regarding the accounting for complex transactions and financial reporting.

Changes in Internal Control over Financial Reporting

There were no other changes in our internal control over financial reporting, except as noted above, during the quarter ended March 31, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We know of no material, existing or pending legal proceedings against our Company or any of our subsidiaries, nor are we involved as a plaintiff in any other material proceeding or pending litigation. There are no other proceedings in which any of our directors, executive officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest.

In April 2022, the U.S. Department of Justice ("DOJ") issued Civil Investigative Demands which seek information with respect to a civil investigation under the Anti-kickback Statute and the False Claims Act. We voluntarily contacted the DOJ offering to provide any materials needed in the investigation and to answer any questions. While our policy during the relevant time was to not seek payments from federal health care programs, the third-party billing company we used at that time submitted some claims to Medicare Advantage plans administered by commercial insurance companies. We have worked diligently to ensure that payments from Medicare Advantage plans have been returned to the commercial insurance companies and we believe we have returned substantially all such payments that we have discovered to date, totaling approximately \$450,000. The DOJ has not made any allegations in the investigation, and we are currently unable to predict the eventual scope, ultimate timing, or outcome of this investigation. During February 2024, a Settlement Agreement ("Agreement") was executed between Assure and the United States Department of Justice ("DOJ").

In exchange for a payment of approximately \$1 million, the Agreement releases Assure from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud. Payments are in equal monthly installments over the next 12 months.

ITEM 1A. RISK FACTORS

Other than as set forth below, during the three months ended March 31, 2024, there were no material changes to the risk factors disclosed in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2023.

We have not been in compliance with the requirements of the NASDAQ for continued listing and if NASDAQ does not concur that we have adequately remedied our non-compliance, our common stock may be delisted from trading on NASDAQ, which could have a material adverse effect on us and our stockholders.

On July 25, 2023, the Company received a written notice from Nasdaq that, because the closing bid price for the Company's common stock had fallen below \$1.00 per share for 30 consecutive business days, the Company no longer complies with the minimum bid price requirement for continued listing on the Nasdaq.

The Bid Price Deficiency Letter has no immediate effect on the continued listing status of the Company's Common Stock on The Nasdaq Capital Market, and, therefore, the Company's listing remains fully effective.

The Company is provided a compliance period of 180 calendar days from the date of the Bid Price Deficiency Letter, or until January 22, 2024, to regain compliance with the minimum closing bid requirement, pursuant to Nasdaq Listing Rule 5810(c)(3)(A). If at any time before January 22, 2024, the closing bid price of the Company's Common Stock closes at or above \$1.00 per share for a minimum of 10 consecutive business days, subject to Nasdaq's discretion to extend this period pursuant to Nasdaq Listing Rule 5810(c)(3)(G) to 20 consecutive business days, Nasdaq will provide written notification that the Company has achieved compliance with the minimum bid price requirement, and the matter would be resolved. If the Company does not regain compliance during the compliance period ending January 22, 2024, then Nasdaq may grant the Company a second 180 calendar day period to regain compliance, provided the Company meets the continued listing requirement for market value of publicly-held shares and all other initial listing standards for The Nasdaq Capital Market, other than the minimum closing bid price requirement, and notifies Nasdaq of its intent to cure the deficiency.

On August 16, 2023, the Company received notice from the Nasdaq that the Company no longer satisfies the \$2.5 million stockholders' equity requirement for continued listing on The Nasdaq Capital Market, or the alternatives to that requirement - a \$35 million market value of listed securities or \$500,000 in net income in the most recent fiscal year or two or the last three fiscal years - as required by Nasdaq Listing Rule 5550(b) (the "Equity Requirement").

As with the Bid Price Deficiency Letter, the Staff's notification has no immediate effect on the Company's continued listing on The Nasdaq Capital Market.

In accordance with the Nasdaq Listing Rules, the Company was provided 45 calendar days, or until October 2, 2023, to submit a plan to regain compliance with the Equity Requirement (the "Compliance Plan"). The Company submitted its Compliance Plan on October 2, 2023. On November 1, 2023, the Staff provided notice to the Company that the Staff had granted an extension until January 22, 2024 to complete certain key steps of the Company's compliance plan.

Based on the Company's representations made in its compliance plan submitted to the Staff, on November 1, 2023, the Staff granted the Company an extension until January 22, 2024, to regain compliance with the Equity Requirement. However, the Staff indicated in the Determination Letter that, pursuant to Listing Rule 5810(d)(2), this deficiency serves as an additional and separate basis for delisting, and as such, the Company should address its non-compliance with the Equity Requirement before the Panel, if it appeals the Staff's determination, which the Company has done.

On January 24, 2024, the Company received a determination letter (the "Determination Letter") from the Staff stating that it had not regained compliance with Listing Rule 5550(a)(2) and is not eligible for a second 180-day period to regain compliance. The Company appealed the Staff's determination, pursuant to the procedures set forth in the Nasdaq Listing Rule 5800 Series and had a hearing with a Nasdaq Hearings Panel (the "Panel") on April 9, 2024.

On May 16, 2024, the Company received a written notice from the Panel that it has granted the Company an extension to regain compliance with the continued listing requirements for The Nasdaq Capital Market (the "Panel Decision"). The Hearings Panel granted the Company an extension until July 22, 2024, by which date the Company will be required to demonstrate compliance with all

applicable initial listing requirements for the Nasdaq Capital Market in relation to its completion of its previously announced transaction with Danam.

There can be no assurance that the Company will be able to regain compliance with the applicable Nasdaq listing requirements, or that a Panel will not stay the suspension of the Company's securities prior to July 22, 2024, for failure of the Company to comply with its plan as presented to the Panel or for other subsequent deficiencies in meeting the listing requirements of the Nasdaq Capital Market.

If Nasdaq delists our common stock from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

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

Items 2(b) and 2(c) are not applicable.

Item 2(a) – Stock Issuances - All issuances of equity securities on an unregistered basis during the quarter ended March 31, 2024, were previously reported on a Current Report on Form 8-K.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Description
2.1	Agreement and Plan of Merger dated February 12, 2024 by and among Assure, Assure Merger Corp. and Danam (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed with the SEC on February 12, 2024)
2.2	Partial Waiver and Amendment Agreement dated April 8, 2024 (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed with the SEC on April 12, 2024)
3.1	Amended Articles of Incorporation
3.2	Amended and Restated Bylaws of Assure Holdings Corp. (incorporated by reference to Exhibit 3.1 to the Company's 8-K filed with the SEC on April 12, 2024)
4.1	Form of Pre-Funded Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1/A filed with the SEC on May 2, 2023)
4.2	Form of Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.2 to the Company's Post-Effective Amendment No. 1 to the Registration Statement on Form S-1 filed with the SEC on May 12, 2023)
10.1	Payment Accommodation Agreement with Centurion Financial Trust dated December 29, 2023
10.2	Settlement Agreement with the Department of Justice dated February 7, 2024
10.3	Asset Purchase Agreement dated March 11, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on March 15, 2024)
10.4	Form of Exchange Agreement dated March 13, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on March 19, 2024)
10.5	Amendment Number One to Asset Purchase Agreement dated March 26, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on April 1, 2024)
10.6	Nominee Agreement dated March 26, 2024 (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the SEC on April 1, 2024)
10.7	Non-Competition Agreement (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed with the SEC on April 1, 2024)
31.1+	Certification of the Principal Executive Officer pursuant to Rule 13a-14 of the Exchange Act
31.2+	Certification of the Principal Financial Officer pursuant to Rule 13a-14 of the Exchange Act
32.1++	Certification of the Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2++	Certification of the Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS+	Inline XBRL Instance Document
101.SCH+	Inline XBRL Schema Document
101.CAL+	Inline XBRL Calculation Linkbase Document
101.DEF+	Inline XBRL Definition Linkbase Document
101.LAB+	Inline XBRL Label Linkbase Document
101.PRE+	Inline XBRL Presentation Linkbase Document
104+	The cover page of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, formatted in Inline XBRL (contained in Exhibit 101)
+	Filed herewith.
++	Furnished herewith.

SIGNATURES

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

ASSURE HOLDINGS CORP.

By: /s/ John Farlinger

John Farlinger, Executive Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: June 7, 2024

By : /s/ Paul Webster

Paul Webster, Chief Financial Officer
(Principal Financial Officer)

Date: June 7, 2024

FRANCISCO V. AGUILAR
Secretary of State

DEPUTY BAKKEDAHL
Deputy Secretary for
Commercial Recordings

STATE OF NEVADA



**OFFICE OF THE
SECRETARY OF STATE**

Commercial Recordings Division
401 N. Carson Street
Carson City, NV 89701
Telephone (775) 684-5708
Fax (775) 684-7138
North Las Vegas City Hall
2250 Las Vegas Blvd North, Suite 400
North Las Vegas, NV 89030
Telephone (702) 486-2880
Fax (702) 486-2888

Certified Copy

6/4/2024 10:59:32 AM

Work Order Number: W2024060400370
Reference Number: 20244104702
Through Date: 6/4/2024 10:59:32 AM
Corporate Name: ASSURE HOLDINGS CORP

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number	Description	Number of Pages
20170214967-89	Amendment	1
20170212506-76	Articles of Domestication	1
20170212507-87	Articles of Incorporation	2
20211716261	Certificate Pursuant to NRS 78.209	1
20232997727	Certificate Pursuant to NRS 78.209	1
20244068110	Amendment After Issuance of Stock	2



Certified By: Cherie Borst
Certificate Number: B202406044703457
You may verify this certificate

Respectfully,

FRANCISCO V. AGUILAR
Nevada Secretary of State

FRANCISCO V. AGUILAR
Secretary of State

DEPUTY BAKKEDAHL
*Deputy Secretary for
Commercial Recordings*

STATE OF NEVADA



**OFFICE OF THE
SECRETARY OF STATE**

Commercial Recordings Division
401 N. Carson Street
Carson City, NV 89701
Telephone (775) 684-5708
Fax (775) 684-7138

North Las Vegas City Hall
2250 Las Vegas Blvd North, Suite 400
North Las Vegas, NV 89030
Telephone (702) 486-2880
Fax (702) 486-2888

online at <https://www.nvsilverflume.gov/home>



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov



090204

Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

Filed in the Office of <i>Barbara K. Cegavske</i>	Business Number E0232292017-6
Secretary of State State Of Nevada	Filing Number 20170214967-89
	Filed On 05/17/2017
	Number of Pages 1

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Amendment to Articles of Incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation:

Montreux Capital Corp.

2. The articles have been amended as follows: (provide article numbers, if available)

The name of the corporation has been changed from Montreux Capital Corp. to Assure Holdings Corp

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is:

100%

4. Effective date and time of filing: (optional)

Date:

Time:

(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

X

Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Amend Profit-After
Revised: 1-3-15



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov



140503

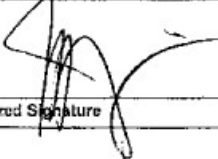
Articles of Domestication

(PURSUANT TO NRS 92A.270)

Filed in the Office of <i>Barbara K. Cegavske</i> Secretary of State State Of Nevada	Business Number E0232292017-6 Filing Number 20170212506-76 Filed On 05/15/2017 Number of Pages 1
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USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Entity Name and Type of Domestic Entity as set forth in its Constituent Documents:	Montreux Capital Corp. Corporation formed under the British Columbia Business Corporations Act.
2. Entity Name Before Filing Articles of Domestication:	Montreux Capital Corp.
3. Date and Jurisdiction of Original Formation:	September 24, 2007 British Columbia, Canada
4. Jurisdiction that Constituted the Principal Place of Business, Central Administration or Equivalent of the Undomesticated Entity Immediately Before Articles of Domestication:	British Columbia, Canada
5. Signature of Authorized Representative:	<div><div>X</div><div></div><div>Authorized Signature</div></div> <div><div>5.12.17</div><div>Date</div></div>

Filing Fee: \$350.00

IMPORTANT: This document must be accompanied by the appropriate constituent document for the type of domestic entity described in article 1 above and the filing fees.

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 92A Domestication
Revised: 1-5-15



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov



040105

Articles of Incorporation

(PURSUANT TO NRS CHAPTER 78)

Filed in the Office of <i>Barbara K. Cegavske</i> Secretary of State State Of Nevada	Business Number E0232292017-6 Filing Number 20170212507-87 Filed On 05/15/2017 Number of Pages 2
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USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

1. Name of Corporation:	Montreux Capital Corp.		
2. Registered Agent for Service of Process: (check only one box)	<input checked="" type="checkbox"/> Commercial Registered Agent: Corporation Trust Company of Nevada Name <input type="checkbox"/> Noncommercial Registered Agent (name and address below) OR <input type="checkbox"/> Office or Position with Entity (name and address below) Name of Noncommercial Registered Agent OR Name of Title of Office or Other Position with Entity Street Address City Nevada Zip Code Mailing Address (if different from street address) City Nevada Zip Code		
3. Authorized Stock: (number of shares corporation is authorized to issue)	Number of shares with par value: 900,000,000	Par value per share: \$.001	Number of shares without par value: 0
4. Names and Addresses of the Board of Directors/Trustees: (each Director/Trustee must be a natural person at least 18 years of age; attach additional page if more than two directors/trustees)	1) Ian M. Burns Name La Maison Godaine, Les Godaines Street Address St. Martin GY GY4 6QL City State Zip Code 2) Laurie W. Sadler Name 3785 Mallard Place Street Address Nanoose Bay BC V9P 9H1 City State Zip Code		
5. Purpose: (optional; required only if Benefit Corporation status selected)	The purpose of the corporation shall be: 6. Benefit Corporation: (see instructions) <input type="checkbox"/> Yes		
7. Name, Address and Signature of Incorporator: (attach additional page if more than one incorporator)	I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State. Jeffrey B. Lightfoot (counsel to Corporation) Name Incorporator Signature PO Box 49130, 2900- 595 Burrard St Address Vancouver BC V7X 1J5 City State Zip Code		
8. Certificate of Acceptance of Appointment of Registered Agent:	I hereby accept appointment as Registered Agent for the above named Entity. <i>Jeffrey B. Lightfoot</i> X Authorized Signature of Registered Agent or On Behalf of Registered Agent Entity Date 5.12.17		

This form must be accompanied by appropriate fees.

Nevada Secretary of State NRS 78 Articles
Revised: 1-5-15



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov



180304

Registered Agent Acceptance

(PURSUANT TO NRS 77.310)

This form may be submitted by: a Commercial Registered Agent,
Noncommercial Registered Agent or Represented Entity. For more
information please visit <http://www.nvsos.gov/index.aspx?page=141>

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Acceptance of Appointment by Registered Agent

In the matter of Montreux Capital Corp.

Name of Represented Business Entity

I, Corporation Trust Company of Nevada

am a:

Name of Appointed Registered Agent OR Represented Entity Serving as Own Agent*

(complete only one)

- a) ☒ commercial registered agent listed with the Nevada Secretary of State,
b) ☐ noncommercial registered agent with the following address for service of process:

Street Address _____ City _____ Nevada _____ Zip Code _____

Mailing Address (if different from street address) _____ City _____ Nevada _____ Zip Code _____

- c) ☐ represented entity accepting own service of process at the following address:

Title of Office or Position of Person in Represented Entity _____

Street Address _____ City _____ Nevada _____ Zip Code _____

Mailing Address (if different from street address) _____ City _____ Nevada _____ Zip Code _____

and hereby state that on 5.12.17 I accepted the appointment as registered agent for
the above named business entity. Date

X

Joseph Walsh
Authorized Signature of R.A. or On Behalf of R.A. Company

5.12.17
Date

*If changing Registered Agent when reinstating, officer's signature required.

X

Signature of Officer _____

Date

Nevada Secretary of State Form RA Acceptance
Revised: 1-5-15



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov




Filed in the Office of <i>Barbara K. Cegavske</i> Secretary of State State Of Nevada	Business Number E0232292017-6 Filing Number 20211716261 Filed On 8/31/2021 8:00:00 AM Number of Pages 1
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Certificate of Change Pursuant to NRS 78.209

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

INSTRUCTIONS:

1. Enter the current name as on file with the Nevada Secretary of State and enter the Entity or Nevada Business Identification Number (NVID).
2. Indicate the current number of authorized shares and par value, if any, and each class or series before the change.
3. Indicate the number of authorized shares and par value, if any of each class or series after the change.
4. Indicate the change of the affected class or series of issued, if any, shares after the change in exchange for each issued share of the same class or series.
5. Indicate provisions, if any, regarding fractional shares that are affected by the change.
6. NRS required statement.
7. This section is optional. If an effective date and time is indicated the date must not be more than 90 days after the date on which the certificate is filed.
8. Must be signed by an Officer. Form will be returned if unsigned.

1. Entity Information:	Name of entity as on file with the Nevada Secretary of State: ASSURE HOLDINGS CORP Entity or Nevada Business Identification Number (NVID): E0232292017-6			
2. Current Authorized Shares:	The current number of authorized shares and the par value, if any, of each class or series, if any, of shares before the change: Common Stock Authorized: 900,000,000, par value \$0.001			
3. Authorized Shares After Change:	The number of authorized shares and the par value, if any, of each class or series, if any, of shares after the change: Common Stock Authorized: 180,000,000, par value \$0.001			
4. Issuance:	The number of shares of each affected class or series, if any, to be issued after the change in exchange for each issued share of the same class or series: 5:1 Reverse Stock Split. Each five (5) shares of issued and outstanding common stock, par value \$0.001, will be consolidated into one (1) share of common stock, par value \$0.001.			
5. Provisions:	The provisions, if any, for the issuance of fractional shares, or for the payment of money or the issuance of scrip to stockholders otherwise entitled to a fraction of a share and the percentage of outstanding shares affected thereby: No fractional shares will be issued. Any fractional shares resulting from the reverse stock split will be rounded up to the nearest whole share.			
6. Provisions:	The required approval of the stockholders has been obtained.			
7. Effective date and time: (Optional)	Date: 09/07/2021 Time: 5:30 p.m. (ET) (must not be later than 90 days after the certificate is filed)			
8. Signature: (Required)	<table border="0"><tr><td>X  Signature of Officer</td><td>President Title</td><td>August 30, 2021 Date</td></tr></table>	X  Signature of Officer	President Title	August 30, 2021 Date
X  Signature of Officer	President Title	August 30, 2021 Date		

This form must be accompanied by appropriate fees.
If necessary, additional pages may be attached to this form.



FRANCISCO V. AGUILAR
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Filed in the Office of <i>FV Aguilar</i> Secretary of State State Of Nevada	Business Number
	E0232292017-6
	Filing Number
	20232997727
	Filed On
	3/2/2023 1:55:00 PM
	Number of Pages
	1

Certificate of Change Pursuant to NRS 78.209

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

INSTRUCTIONS:

1. Enter the current name as on file with the Nevada Secretary of State and enter the Entity or Nevada Business Identification Number (NVID).
2. Indicate the current number of authorized shares and par value, if any, and each class or series before the change.
3. Indicate the number of authorized shares and par value, if any of each class or series after the change.
4. Indicate the change of the affected class or series of issued, if any, shares after the change in exchange for each issued share of the same class or series.
5. Indicate provisions, if any, regarding fractional shares that are affected by the change.
6. NRS required statement.
7. This section is optional. If an effective date and time is indicated the date must not be more than 90 days after the date on which the certificate is filed.
8. Must be signed by an Officer. Form will be returned if unsigned.

1. Entity Information:	Name of entity as on file with the Nevada Secretary of State: <div>Assure Holdings Corp</div> Entity or Nevada Business Identification Number (NVID): <div>E0232292017-6</div>		
2. Current Authorized Shares:	The current number of authorized shares and the par value, if any, of each class or series, if any, of shares before the change: Common Stock Authorized: 180,000,000, par value \$0.001		
3. Authorized Shares After Change:	The number of authorized shares and the par value, if any, of each class or series, if any, of shares after the change: Common Stock Authorized: 9,000,000, par value \$0.001		
4. Issuance:	The number of shares of each affected class or series, if any, to be issued after the change in exchange for each issued share of the same class or series: 20:1 Reverse Stock Split. Each twenty (20) shares of issued and outstanding common stock will consolidate into one (1) share of common stock.		
5. Provisions:	The provisions, if any, for the issuance of fractional shares, or for the payment of money or the issuance of scrip to stockholders otherwise entitled to a fraction of a share and the percentage of outstanding shares affected thereby: No fractional shares will be issued. Any fractional shares resulting from the reverse stock split will be rounded up to the nearest whole share.		
6. Provisions:	The required approval of the stockholders has been obtained.		
7. Effective date and time: (Optional)	Date: <div>03/04/2023</div>	Time: <div>12:01 a.m.</div>	(must not be later than 90 days after the certificate is filed)
8. Signature: (Required)	<div>X </div> <div>Signature of Officer</div> <div>CFO</div> <div>03/02/2023</div> <div>Title</div> <div>Date</div>		

This form must be accompanied by appropriate fees.
If necessary, additional pages may be attached to this form.



FRANCISCO V. AGUILAR
Secretary of State
401 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Filed in the Office of <i>FVAguilar</i> Secretary of State State Of Nevada	Business Number
	E0232292017-6
	Filing Number
	20244068110
	Filed On
	5/17/2024 2:32:00 PM
	Number of Pages
	2

Profit Corporation:
Certificate of Amendment (PURSUANT TO NRS 78.380 & 78.385/78.390)
Certificate to Accompany Restated Articles or Amended and
Restated Articles (PURSUANT TO NRS 78.403)
Officer's Statement (PURSUANT TO NRS 80.030)

TYPE OR PRINT - USE DARK INK ONLY - DO NOT HIGHLIGHT

1. Entity information:	Name of entity as on file with the Nevada Secretary of State: <div>Assure Holdings Corp.</div>
	Entity or Nevada Business Identification Number (NVID): <div>20171313144</div>
2. Restated or Amended and Restated Articles: (Select one) (If amending and restating only, complete section 1, 2 3, 5 and 6)	<input type="checkbox"/> Certificate to Accompany Restated Articles or Amended and Restated Articles <input type="checkbox"/> Restated Articles - No amendments; articles are restated only and are signed by an officer of the corporation who has been authorized to execute the certificate by resolution of the board of directors adopted on: <div></div> The certificate correctly sets forth the text of the articles or certificate as amended to the date of the certificate. <input type="checkbox"/> Amended and Restated Articles * Restated or Amended and Restated Articles must be included with this filing type.
	<input type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.380 - Before Issuance of Stock) The undersigned declare that they constitute at least two-thirds of the following: (Check only one box) <input type="checkbox"/> incorporators <input type="checkbox"/> board of directors The undersigned affirmatively declare that to the date of this certificate, no stock of the corporation has been issued
3. Type of Amendment Filing Being Completed: (Select only one box) (If amending, complete section 1, 3, 5 and 6.)	<input checked="" type="checkbox"/> Certificate of Amendment to Articles of Incorporation (Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock) The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: <div>58%</div> Or <input type="checkbox"/> No action by stockholders is required, name change only.
	<input type="checkbox"/> Officer's Statement (foreign qualified entities only) - Name in home state, if using a modified name in Nevada: <div></div> Jurisdiction of formation: <div></div> Changes to takes the following effect: <input type="checkbox"/> The entity name has been amended. <input type="checkbox"/> Dissolution <input type="checkbox"/> The purpose of the entity has been amended. <input type="checkbox"/> Merger <input type="checkbox"/> The authorized shares have been amended. <input type="checkbox"/> Conversion <input type="checkbox"/> Other: (specify changes) <div></div> * Officer's Statement must be submitted with either a certified copy of or a certificate evidencing the filing of any document, amendatory or otherwise, relating to the original articles in the place of the corporations creation.

This form must be accompanied by appropriate fees.



FRANCISCO V. AGUILAR
Secretary of State
401 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Profit Corporation:
Certificate of Amendment (PURSUANT TO NRS 78.380 & 78.385/78.390)
Certificate to Accompany Restated Articles or Amended and
Restated Articles (PURSUANT TO NRS 78.403)
Officer's Statement (PURSUANT TO NRS 80.030)

4. Effective Date and Time: (Optional)

Date:

Time:

(must not be later than 90 days after the certificate is filed)

5. Information Being Changed: (Domestic corporations only)

Changes to takes the following effect:

- ☐ The entity name has been amended.
☐ The registered agent has been changed. (attach Certificate of Acceptance from new registered agent)
☐ The purpose of the entity has been amended.
☒ The authorized shares have been amended.
☐ The directors, managers or general partners have been amended.
☐ IRS tax language has been added.
☐ Articles have been added.
☐ Articles have been deleted.
☐ Other.

The articles have been amended as follows: (provide article numbers, if available)

(attach additional page(s) if necessary)

6. Signature:
(Required)

X

DocuSigned by:

AD1D48F26D2D43D
Signature of Officer or Authorized Signer

President

Title

X

Signature of Officer or Authorized Signer

Title

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

Please include any required or optional information in space below:
(attach additional page(s) if necessary)

The THIRD paragraph of the Articles of Incorporation has been amended to read in full as follows:

3. Authorized Stock: (numbers of shares the corporation is authorized to issue) Number of Shares with par value: 250,000,000, Par value per share: \$0.001 Number of Shares without par value: 0

This form must be accompanied by appropriate fees.

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the Office of Inspector General (OIG-HHS) of the Department of Health and Human Services (HHS) (collectively, the "United States"), the State of Colorado, Assure Holdings Corp. and Assure Neuromonitoring LLC (collectively "Assure"), and Ty Mathis (the "Relator") (hereafter the United States, the State of Colorado, Assure and Relator are collectively referred to as "the Parties"), through their authorized representatives.

RECITALS

A. Assure is a provider of outsourced Intraoperative Neurophysiological Monitoring. Assure's patient population has included individuals eligible to receive items or services for which payment may be made under a Federal health care program.

B. On May 17, 2021, Ty Mathis filed a qui tam action in the United States District Court for the District of Colorado captioned *United States ex rel. Mathis v. Kimball, et al.*, 21-cv-01352 (D. Colo.), pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) (the "Civil Action").

C. The United States contends that Assure submitted or caused to be submitted claims for payment to the Medicare Program, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395III ("Medicare") and the Medicaid Program, 42 U.S.C. §§ 1396-1396w-5 ("Medicaid").

D. The United States contends that it has certain civil claims against Assure arising from allegations that Assure and its subsidiaries paid remuneration to surgeons through joint venture companies identified in this paragraph to induce those surgeons to order intraoperative neuromonitoring services provided by Assure for surgical patients during the period from

January 1, 2016 through July 31, 2022. The joint venture companies were: Arapahoe Professional Reading LLC, Belleview Professional Reading LLC, Boulder Professional Reading LLC, Cover One Reading LLC, Cover Two Reading LLC, Cover Three Reading LLC, Denver Professional Reading LLC, Englewood Professional Reading LLC, Golden Professional Reading LLC, Littleton Professional Reading LLC, Lone Tree Professional Reading LLC, Parker Professional Reading LLC, and Red State Reading LLC. The United States contends that these remunerative arrangements resulted in false claims for payment submitted to the Medicare and Colorado Medicaid Programs during the period from January 1, 2016 through July 31, 2022.

The conduct set forth in this Paragraph D is referred to below as the "Covered Conduct."

E. This Settlement Agreement is neither an admission of liability by Assure, nor a concession by the United States or the State of Colorado that their claims are not well founded.

F. Relator claims entitlement under 31 U.S.C. § 3730(d) to a share of the proceeds of this Settlement Agreement and to Relator's reasonable expenses, attorneys' fees and costs.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, and in consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. Assure shall pay to the United States and the State of Colorado a total of \$1,008,436 plus interest at 4.25% per annum (collectively, the "Settlement Amount"), of which \$504,218 is restitution. Assure shall make such payments in accordance with the schedule attached as Appendix A by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the District of Colorado. The payments specified in Appendix A may be prepaid, in whole (by payment of the unpaid balance plus any

unpaid interest accruing through the date of payment) or in part, without penalty or premium.

These payments are categorized as follows:

- a. The sum of \$946,229 plus interest at 4.25% per annum paid to the United States (the "Federal Settlement Amount"), of which \$473,114 is federal restitution (the "Federal Restitution Amount").
- b. The sum of \$62,207 plus interest at 4.25% per annum paid to the State of Colorado (the "State Settlement Amount"), of which \$31,104 is state restitution (the "State Restitution Amount").

2. Conditioned upon the receipt of Settlement Amount payments, the United States and the State of Colorado agree that they shall pay to Relator 18% of each such payment received under the Settlement Agreement (the "Relator's Share"). The United States shall make these Relator's Share payments, on behalf of itself and the State of Colorado, via electronic funds transfer as soon as feasible after receipt of the payment. Relator shall provide all information requested by the United States in order to facilitate the Relator's Share payments. The United States shall pay to the State of Colorado its proportional share of each Settlement Payment, except that the United States shall deduct the State of Colorado's portion of the Relator Share.

3. Separately, Assure shall pay to Wisner Baum, one of the several law firms serving as counsel for Relator, the sum of \$29,961.71 attributable to attorneys' fees, costs, expenses (the "Fees Settlement Amount"), no later than 30 days after the later of: (i) the Effective Date of this Agreement, and (ii) receipt by Assure's counsel of payment instructions in writing from counsel for Relator. Assure will issue an IRS Form 1099 for the Fees Settlement Amount to Wisner Baum, which shall be responsible for allocating the Fees Settlement between and among Relator and Relator's counsel. The Fees Settlement Amount is in full satisfaction of Assure's liability

for any attorneys' fees, costs, and expenses allowable under 31 U.S.C. § 3730(d) arising from the filing of the Civil Action. Assure shall have no obligation to make any additional payments to Relator or to Relator's counsel with respect to the matters covered by this Agreement or otherwise.

4. Subject to the exceptions in Paragraph 7 (concerning reserved claims) below, and upon the United States' receipt of the full Settlement Amount, the United States releases Assure together with its current and former parent corporations, subsidiaries, current or former corporate owners, and the corporate successors of any of them from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 7 (concerning reserved claims) below, and upon the United States' receipt of the full Settlement Amount, the State of Colorado releases Assure together with its current and former parent corporations, subsidiaries, current or former corporate owners, and the corporate successors of any of them from any civil or administrative monetary claim the State of Colorado has for the Covered Conduct under the Colorado Medicaid False Claims Act, C.R.S. §§ 25.5-4.303.5–25.5-4-310, or the common law theories of payment by mistake, unjust enrichment, and fraud.

6. Subject to the exceptions in Paragraph 7 below (concerning reserved claims), and upon the United States' receipt of the full Settlement Amount, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Assure together with its current and former parent corporations, subsidiaries, current or former corporate owners, and the corporate successors of any of them from any civil monetary claim Relator has on behalf of the United

States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733, and on behalf of the State of Colorado for the Covered Conduct under the Colorado Medicaid False Claims Act, C.R.S. §§ 25.5-4.303.5–25.5-4-310.

7. Notwithstanding the releases given in Paragraphs 4, 5, and 6 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States and the State of Colorado are specifically reserved and are not released:

- a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code) or any state revenue code;
- b. Any criminal liability;
- c. Except as explicitly stated in this Agreement, any administrative liability or enforcement right, including mandatory or permissive exclusion from Federal health care programs;
- d. Any liability to the United States (or its agencies) or the State of Colorado (or its agencies) for any conduct other than the Covered Conduct;
- e. Any liability based upon obligations created by this Agreement;
- f. Any liability of individuals;
- g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services; and
- h. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

8. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon Relator's receipt

of the Relator's Share, Relator and his heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States and the State of Colorado, their agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Civil Action or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Civil Action as against Assure.

9. Subject to having received the Fees Settlement Amount due from Assure pursuant to this Agreement, Relator, for himself, and for his heirs, successors, attorneys, agents, and assigns, releases Assure together with its current and former parent corporations, subsidiaries, current or former corporate owners, and the officers, agents, and employees of any of them, and the corporate successors of any of them from any liability to Relator arising from the filing of the Civil Action, or under 31 U.S.C. § 3730(d) for expenses or attorneys' fees and costs.

10. Assure waives and shall not assert any defenses Assure and its subsidiaries may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

11. Assure and its current and former parent corporations, subsidiaries, current or former corporate owners, and the corporate successors of any of them fully and finally releases the United States and the State of Colorado, their agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that any of them the have asserted, could have asserted, or may assert in the future against the United States or the State of Colorado, their agencies, officers, agents,

employees, and servants, related to the Covered Conduct or the United States' or the State of Colorado's investigation or prosecution thereof.

12. Assure and its current and former parent corporations, subsidiaries, current or former corporate owners, and the officers, agents, and employees of any of them, and the corporate successors of any of them fully and finally releases Relator from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that any of them have asserted, could have asserted, or may assert in the future against Relator, related to the Covered Conduct and Relator's investigation and prosecution thereof.

13. The Settlement Amount shall not be decreased as a result of the denial of claims for payment now being withheld from payment by any Medicare contractor (e.g., Medicare Administrative Contractor, fiscal intermediary, carrier) or any state payer, related to the Covered Conduct; and Assure agrees not to resubmit to any Medicare contractor or any state payer any previously denied claims related to the Covered Conduct, agrees not to appeal any such denials of claims, and agrees to withdraw any such pending appeals.

14. Assure agrees to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47; and in Titles XVIII and XIX of the Social Security Act, 42 U.S.C. §§ 1395-1395lll and 1396-1396w-5; and the regulations and official program directives promulgated thereunder) incurred by or on behalf of Assure, its present or former officers, directors, employees, shareholders, and agents in connection with:

- (1) the matters covered by this Agreement;
- (2) the United States' and the State of Colorado's audit(s) and civil investigation(s) of the matters covered by this Agreement;

- (3) Assure's and its subsidiaries' investigation, defense, and corrective actions undertaken in response to the United States' and the State of Colorado's audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);
- (4) the negotiation and performance of this Agreement;
and
- (5) the payments Assure makes to the United States and the State of Colorado pursuant to this Agreement and any payments that Assure may make to Relator, including costs and attorneys' fees.

are unallowable costs for government contracting purposes and under the Medicare Program, Medicaid Program, TRICARE Program, and Federal Employees Health Benefits Program (FEHBP) (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs Unallowable Costs shall be separately determined and accounted for by Assure, and Assure shall not charge such Unallowable Costs directly or indirectly to any contracts with the United States or any State Medicaid program, or seek payment for such Unallowable Costs through any cost report, cost statement, information statement, or payment request submitted by Assure or any of its subsidiaries or affiliates to the Medicare, Medicaid, TRICARE, or FEHBP Programs.

c. Treatment of Unallowable Costs Previously Submitted for Payment Assure further agrees that within 90 days of the Effective Date of this Agreement it shall identify to applicable Medicare and TRICARE fiscal intermediaries, carriers, and/or contractors, and Medicaid and FEHBP fiscal agents, any Unallowable Costs (as defined in this paragraph) included in payments previously sought from the United States, or any State Medicaid program, including, but not limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by Assure or any of its subsidiaries or affiliates,

and shall request, and agree, that such cost reports, cost statements, information reports, or payment requests, even if already settled, be adjusted to account for the effect of the inclusion of the Unallowable Costs. Assure agrees that the United States, at a minimum, shall be entitled to recoup from Assure any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted cost reports, information reports, cost statements, or requests for payment.

Any payments due after the adjustments have been made shall be paid to the United States pursuant to the direction of the Department of Justice and/or the affected agencies. The United States reserves its rights to disagree with any calculations submitted by Assure or any of its subsidiaries or affiliates on the effect of inclusion of Unallowable Costs (as defined in this paragraph) on Assure or any of its subsidiaries or affiliates' cost reports, cost statements, or information reports.

d. Nothing in this Agreement shall constitute a waiver of the rights of the United States to audit, examine, or re-examine Assure's books and records to determine that no Unallowable Costs have been claimed in accordance with the provisions of this paragraph.

15. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity, except to the extent provided for in Paragraph 16 (waiver for beneficiaries paragraph), below.

16. Assure agrees that it waives and shall not seek payment for any of the health care billings covered by this Agreement from any health care beneficiaries or their parents, sponsors, legally responsible individuals, or third party payors based upon the claims defined as Covered Conduct.

17. Upon the United States' receipt of the first payment described in Paragraph 1 above, the Parties shall promptly sign a Joint Stipulation for Dismissal of Assure

Neuromonitoring LLC from the Civil Action with prejudice, pursuant to Rule 41(a)(1), which the United States shall file in the Civil Action. The dismissal shall be with prejudice as to the United States' claims against Assure Neuromonitoring LLC as to the Covered Conduct, and shall not be a dismissal of any other claims of the United States against any of the other defendants in the Civil Action. The dismissal shall be with prejudice as to the State of Colorado's claims against Assure Neuromonitoring LLC as to the Covered Conduct, and shall not be a dismissal of any other claims of the State of Colorado against any of the other defendants in the Civil Action. The dismissal shall be with prejudice as to Relator's claims against Assure Neuromonitoring LLC, and shall not be a dismissal of any of Relator's other claims against any of the other defendants in the Civil Action. The stipulation of dismissal shall state that the action against Assure Neuromonitoring LLC is being dismissed "subject to the terms of the settlement agreement with Assure Holdings Corp. and Assure Neuromonitoring LLC" and that the Parties agree that the Court retains jurisdiction over the Parties to the extent necessary to enforce the terms and conditions of the settlement agreement.

18. The Settlement Amount represents the amount the United States and the State of Colorado are willing to accept in compromise of their civil claims against Assure arising from the Covered Conduct pursuant to the terms and conditions in this Agreement.

a. Assure shall be in default of this Agreement ("Default") if it fails to pay the Settlement Amount as provided in Paragraph 1 above and Appendix A hereto, or if it fails to comply materially with any other term or condition of this Agreement.

b. If Assure fails to pay the Settlement Amount as provided in Paragraph 1 above and Appendix A hereto, the United States will provide a written Notice of Default, and Assure shall have an opportunity to cure such Default within seven (7) calendar days from the date of receipt of the Notice of Default by making the payment due and paying any additional interest

accruing under the Settlement Agreement up to the date of payment. Notice of Default will be delivered to Assure's representative, Polsinelli PC, by email to jfitzgerald@polsinelli.com. Assure may change its representative by giving advanced written notice to the United States Attorney's Office for the District of Colorado and the Colorado Attorney General's Office. If Assure fails to cure the Default within seven (7) calendar days from delivery of the Notice of Default and in the absence of an agreement with the United States and the State of Colorado to a modified payment schedule ("Uncured Default"), the remaining unpaid balance of the Settlement Amount shall become immediately due and payable, and interest on the remaining unpaid balance shall thereafter accrue at the rate of 12% per annum, compounded daily from the date of Default, on the remaining unpaid total (principal and interest balance).

c. In the event of Uncured Default, Assure agrees that the United States and the State of Colorado, at their sole discretion, may (i) retain any payments previously made, rescind this Agreement and bring any civil and/or administrative claim, action, or proceeding against Assure for the claims that would otherwise be covered by the releases provided in Paragraph 5 and 6 above, with any recovery reduced by the amount of any payments previously made by Assure to the United States and the State of Colorado under this Agreement; (ii) take any action to enforce this Agreement in a new action; (iii) offset the remaining unpaid balance from any amounts due and owing to Assure and/or affiliated companies by any department, agency, or agent of the United States or the State of Colorado at the time of Default or subsequently; and/or (iv) exercise any other right granted by law, or under the terms of this Agreement, or recognizable at common law or in equity. The United States and the State of Colorado shall be entitled to any other rights granted by law or in equity by reason of Default, including referral of this matter for private collection. In the event the United States pursues a collection action, Assure agrees immediately to pay the United States the greater of (i) a ten-percent (10%)

surcharge of the amount collected, as allowed by 28 U.S.C. § 3011(a), or (ii) the United States' reasonable attorneys' fees and expenses incurred in such an action. In the event that the United States or the State of Colorado opts to rescind this Agreement pursuant to this paragraph, Assure waives and agrees not to plead, argue, or otherwise raise any defenses of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims that are (i) filed by the United States or the State of Colorado against Assure within 120 days of written notification that this Agreement has been rescinded, and (ii) relate to the Covered Conduct, except to the extent these defenses were available on the Effective Date of this Agreement. Assure agrees not to contest any offset, recoupment, and/or collection action undertaken by the United States or the State of Colorado pursuant to this paragraph, either administratively or in any state or federal court, except on the grounds of actual payment to the United States or the State of Colorado.

d. In the event of Uncured Default, OIG-HHS may exclude Assure from participating in all Federal health care programs ("Exclusion for Default"). OIG-HHS will provide written notice of any such exclusion to Assure. Assure waives any further notice of the exclusion under 42 U.S.C. § 1320a-7(b)(7), and agrees not to contest such exclusion either administratively or in any state or federal court. Reinstatement to program participation is not automatic. If at the end of the period of exclusion, Assure wishes to apply for reinstatement, it must submit a written request for reinstatement to OIG-HHS in accordance with the provisions of 42 C.F.R. §§ 1001.3001-3005. Assure will not be reinstated unless and until OIG-HHS approves such request for reinstatement. The option for Exclusion for Default is in addition to, and not in lieu of, the options identified in this Agreement or otherwise available.

19. Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

20. Each party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

21. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the District of Colorado. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

22. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

23. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

24. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

25. This Agreement is binding on Assure's successors, transferees, heirs, and assigns.

26. This Agreement is binding on Relator's successors, transferees, heirs, and assigns.

27. All Parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

28. This Agreement is effective on the date of signature of the last signatory to the Agreement ("Effective Date of this Agreement"). Facsimiles and electronic transmissions of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

Cole Finegan
United States Attorney

DATED: 2/7/2024

BY: /s/ Jasand Mock
Jasand Mock
Assistant United States Attorney
United States Attorney's Office for the District of
Colorado

DATED: 2/2/2024

BY: /s/ Susan E. Gillin
Susan E. Gillin
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
United States Department of Health and Human
Services

STATE OF COLORADO

Phillip J. Weiser
Colorado Attorney General

DATED: 2/7/2024

BY: /s/ Crystal Littrell
Crystal Littrell
First Assistant Attorney General
Director, Colorado Medicaid Fraud Control Unit

DATED: _____

BY: _____
Kim Bimestefer
Executive Director
Colorado Department of Health Care Policy and
Financing

STATE OF COLORADO

Phillip J. Weiser
Colorado Attorney General

DATED: _____

BY: _____
Crystal Littrell
First Assistant Attorney General
Director, Colorado Medicaid Fraud Control Unit

DATED: 2/5/2024

BY: /s/ Kim Bimestefer
Kim Bimestefer
Executive Director
Colorado Department of Health Care Policy and
Financing

ASSURE HOLDINGS CORP. and ASSURE NEUROMONITORING LLC

DATED: 2/2/2024

BY: /s/ John A. Farlinger
John A. Farlinger
Executive Chairman and CEO
Assure Holdings Corp.

DATED: 2/1/2024

BY: /s/ T. Jeffrey Fitzgerald
T. Jeffrey Fitzgerald
Polsinelli PC
Counsel for Assure Holdings Corp. and Assure
Neuromonitoring LLC

TY MATHIS - RELATOR

DATED: 1/26/24

BY: /s/ Ty Mathis
Ty Mathis

DATED: 1/29

BY: /s/ Mark Schlein
Mark Schlein
Wisner Baum
Counsel for Ty Mathis

APPENDIX A – Payment Schedule

Pay Period	Due Date	Balance Owed	Payment	Principal	Interest	Remaining Balance
1	2/15/2024	\$1,008,436	\$85,983	\$82,412	\$3,572	\$926,024
2	3/15/2024	\$926,024	\$85,983	\$82,704	\$3,280	\$843,320
3	4/15/2024	\$843,320	\$85,983	\$82,997	\$2,987	\$760,324
4	5/15/2024	\$760,324	\$85,983	\$83,291	\$2,693	\$677,033
5	6/15/2024	\$677,033	\$85,983	\$83,586	\$2,398	\$593,447
6	7/15/2024	\$593,447	\$85,983	\$83,882	\$2,102	\$509,566
7	8/15/2024	\$509,566	\$85,983	\$84,179	\$1,805	\$425,387
8	9/15/2024	\$425,387	\$85,983	\$84,477	\$1,507	\$340,910
9	10/15/2024	\$340,910	\$85,983	\$84,776	\$1,207	\$256,134
10	11/15/2024	\$256,134	\$85,983	\$85,076	\$907	\$171,058
11	12/15/2024	\$171,058	\$85,983	\$85,378	\$606	\$85,680
12	1/15/2025	\$85,680	\$85,983	\$85,680	\$303	\$0

Payment Accommodation Agreement

December 29th, 2023

Centurion Financial Trust (the "**Lender**") has agreed to provide a payment accommodation to Assure Holdings Corporation (the "**Borrower**") pursuant to that certain commitment letter issued by the Lender in favour of the Borrower on March 8, 2021, and accepted by the Borrower on the same date (the "**Original Commitment Letter**" and, as amended by the Amending Agreement, November 23, 2021 (the "**Commitment Letter**"). As at the date hereof, the Original Commitment Letter is in full force and effect, as amended by the Amending Agreement.

In connection with, and furtherance of, the forgoing, the parties hereto agree and confirm that each of the other Loan Documents (including, without limitation, that certain Debenture dated as of June 9, 2021, among, *inter alios*, the Lender, as secured party, and the Borrower, as debtor (the "**Debenture**")) are confirmed to remain in full force and effect, unamended except to the extent, if any, amended by the Amending Agreement.

The Lender, in consideration of the payment of an accommodation fee of \$100,000USD to be paid by capitalization to the principal amount owing pursuant to the Commitment Letter, has agreed to capitalize the interest payment otherwise to be paid December 1, 2023 (\$130,625 USD) and January 1, 2024 (\$132,176.17 USD) to the principal amount of the loan to be repaid on the repayment currently expect by January 31, 2024. This accommodation is as to these two referenced payments only.

This agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario.

This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this fourth agreement, to produce or account for more than one such counterpart. This agreement may be executed and delivered by electronic transmission and each of the parties hereto may rely on such electronic or digital signature as though such signature were an original signature.

[Signature page follows]

IN WITNESS WHEREOF this payment accommodation agreement is dated as of the date first written above.

Lender:

Centurion Financial Trust

PER: _____
Authorized Signing Officer

Borrower:

Assure Holdings Corporation.

PER: _____
Authorized Signing Officer

Guarantors:

Assure Holdings Inc.

PER: _____
Authorized Signing Officer

Assure Networks, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Louisiana, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Pennsylvania, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Texas Holdings, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Colorado, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Michigan, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Texas, LLC

PER: _____
Authorized Signing Officer

DNS Louisiana, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Arizona, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Nevada, LLC

PER: _____
Authorized Signing Officer

DNS Professional Reading, LLC

PER: _____
Authorized Signing Officer

Colorado Neurological, PLLC

PER: _____
Authorized Signing Officer

Assure Networks Texas Holdings II, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring Minnesota, LLC

PER: _____
Authorized Signing Officer

Assure Neuromonitoring South Carolina, LLC

PER: _____
Authorized Signing Officer

Assure Telehealth Providers, LLC

PER: _____
Authorized Signing Officer

Texas Neurological, PLLC

PER: _____
Authorized Signing Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, John Farlinger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Assure Holdings Corp.;
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 controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 7, 2024

By: Is/ John Farlinger

Name: John Farlinger

Title: Chief Executive Officer

CERTIFICATIONS

I, Paul Webster, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Assure Holdings Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present, in all material respects, the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors:
 - (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: June 7, 2024

/s/ Paul Webster
Name: Paul Webster
Chief Financial Officer
(Principal Financial Officer)

**STATEMENT PURSUANT TO
18 U.S.C. SECTION 1350
AS REQUIRED BY
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Assure Holdings Corp. (the "Company") on Form 10-Q for the period ending March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 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.

June 7, 2024

/s/ John Farlinger

Name: John Farlinger

Chief Executive Officer

(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Assure Holdings Corp. and will be retained by Assure Holdings Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

**STATEMENT PURSUANT TO
18 U.S.C. SECTION 1350
AS REQUIRED BY
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Assure Holdings Corp. (the "Company") on Form 10-Q for the period ending March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 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.

June 7, 2024

/s/ Paul Webster

Name: Paul Webster

Chief Financial Officer (Principal Financial Officer
and Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Assure Holdings Corp. and will be retained by Assure Holdings Corp. and furnished to the Securities and Exchange Commission or its staff upon request.
