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

FORM 10-Q

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

For the quarterly period ended March 31, 2022

☐ **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: 333-209325

BRAIN SCIENTIFIC INC.
(Name of Registrant in Its Charter)

Nevada	**81-0876714**
State or Other Jurisdiction of Incorporation or Organization)	***(I.R.S. Employer Identification No.)***

6700 Professional Parkway
Lakewood Ranch, Florida 34240
(Address of principal executive offices)

(917) 388-1578
(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
N/A	N/A	N/A

Indicate by check 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 (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit). Yes ☒ No ☐

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

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

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 50,865,285 shares of Common Stock, $0.001 par value, at May 13, 2022.

BRAIN SCIENTIFIC INC.

Index

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Brain Scientific Inc. and Subsidiaries
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2022 (Unaudited)	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash	$ 346,365	$ 785,363
Accounts receivable	20,079	16,922
Inventory	155,852	146,090
Advances to officers	-	16,941
Prepaid expenses and other current assets	120,511	166,458
TOTAL CURRENT ASSETS	642,807	1,131,774
Property and equipment, net	121,112	122,979
Intangible assets, net	10,728,269	10,920,577
Goodwill	913,184	913,184
Operating lease right-of-use asset - LT	144,380	191,702
Other long-term assets	90,000	95,000
TOTAL ASSETS	$ 12,639,752	$ 13,375,216
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 2,761,878	$ 2,987,264
Accounts payable and accrued expenses - related party	75,000	75,000
Accrued Interest	543,222	356,998
Convertible notes payable - short term	337,000	337,000
Notes payable	300,000	320,000
Loans payable	6,667	6,667
Notes payable - related party	155,947	155,989
Operating lease liability, current portion	75,814	104,591
TOTAL CURRENT LIABILITIES:	4,255,528	4,343,509
Convertible notes payable, net	10,802,005	9,635,551
Operating lease liability, net of current portion	71,099	91,089
TOTAL LIABILITIES	15,128,632	14,070,149
Commitments and contingencies		
STOCKHOLDERS' DEFICIT		
Preferred stock, $0.001 par value; 10,000,000 shares authorized, 0 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	-	-
Common stock, $0.001 par value; 200,000,000 shares authorized, 50,578,003 and 50,217,308 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	50,578	50,217
Additional paid in capital	21,902,942	21,537,763
Accumulated deficit	(24,438,861)	(22,278,923)
Accumulated other comprehensive loss	(3,539)	(3,990)
TOTAL STOCKHOLDERS' DEFICIT	(2,488,880)	(694,933)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 12,639,752	$ 13,375,216

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

Brain Scientific Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended March 31,	
	2022	**2021**
REVENUE	$ 159,588	$ 1,475
COST OF GOODS SOLD	106,675	575
GROSS PROFIT	52,913	900
SELLING, GENERAL AND ADMINISTRATIVE		
Research and development	84,717	55,165
Professional fees	187,766	50,057
Sales and marketing expenses	191,471	43,773
Share based compensation	298,301	-
General and administrative expenses	1,185,456	559,462
TOTAL SELLING, GENERAL AND ADMINISTRATIVE	1,947,711	708,457
LOSS FROM OPERATIONS	(1,894,798)	(707,557)
OTHER INCOME (EXPENSE):		
Interest expense	(271,919)	(58,785)
Other income	6,904	-
Gain on forgiveness of paycheck protection loan	-	112,338
Foreign currency transaction loss	(125)	-
TOTAL OTHER EXPENSE	(265,140)	53,553
LOSS BEFORE INCOME TAXES	(2,159,938)	(654,004)
PROVISION FOR INCOME TAXES	-	-
NET LOSS	(2,159,938)	(654,004)
OTHER COMPREHENSIVE LOSS		
Foreign currency translation adjustment	451	-
TOTAL COMPREHENSIVE LOSS	(2,159,487)	(654,004)
NET LOSS PER COMMON SHARE		
Basic and diluted	$ (0.04)	$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		
Basic and diluted	50,553,957	29,520,454

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

Brain Scientific Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balances at December 31, 2021	-	-	-	-	-	-	50,217,308	$ 50,217	$ 21,537,763	$ (22,278,923)	$ (3,990)	$ (694,933)
Fair value of stock options vested	-	-	-	-	-	-	-	-	235,690	-	-	235,690
Issuance of common stock for services	-	-	-	-	-	-	360,695	361	129,489	-	-	129,850
Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	451	451
Net loss	-	-	-	-	-	-	-	-	-	(2,159,938)	-	(2,159,938)
Balances at March 31, 2022	-	$ -	-	$ -	-	$ -	50,578,003	$ 50,578	$ 21,902,942	$ (24,438,861)	$ (3,539)	$(2,488,880)
Balances at December 31, 2020	-	-	-	-	-	-	29,520,454	$ 29,520	$ 11,141,129	$ (13,178,237)	$ -	$(2,007,588)
Net loss	-	-	-	-	-	-	-	-	-	(654,004)	$ -	(654,004)
Balances at March 31, 2021	-	$ -	-	$ -	-	$ -	29,520,454	$ 29,520	$ 11,141,129	$ (13,832,241)	$ -	$(2,661,592)

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

Brain Scientific Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (2,159,938)	$ (654,004)
Change in net loss to net cash used in operating activities:		
Depreciation and amortization expense	200,683	5,333
Amortization of debt discount and non-cash interest expense	16,454	-
Gain on forgiveness of paycheck protection loan	-	(112,338)
Gain on settlement of lease	(1,660)	-
Fair value of stock options vested	298,301	-
Changes in operating assets and liabilities:		
Accounts receivable	(3,157)	-
Inventory	(9,762)	(4,912)
Officer advances	16,941	(6,075)
Prepaid expenses and other current assets	45,947	(7,378)
Other long-term assets	5,000	-
Accounts payable and accrued expenses	(158,147)	47,205
Accrued interest	255,465	58,786
Operating lease liabilities, net	215	421
NET CASH USED IN OPERATING ACTIVITIES	$ (1,493,658)	$ (672,962)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	$ (6,508)	$ (20,122)
NET CASH USED IN INVESTING ACTIVITIES	$ (6,508)	$ (20,122)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from convertible notes payable	$ 1,150,000	$ 1,319,982
Repayment of promissory note and interest	(89,241)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	$ 1,060,759	$ 1,319,982
Effect of exchange rate changes on cash	409	
NET CHANGE IN CASH	(438,998)	626,898
CASH AT BEGINNING OF THE PERIOD	785,363	68,843
CASH AT END OF THE PERIOD	$ 346,365	$ 695,741
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 69,241	$ -
Cash paid for taxes	$ -	$ -
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
Accounts payable settled with share issuance	$ 129,850	$ -

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

BRAIN SCIENTIFIC INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2022
(unaudited)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Brain Scientific Inc. (the "Company"), was incorporated under the laws of the state of Nevada on November 18, 2013 under the name All Soft Gels Inc. On October 1, 2021, the Company acquired Piezo Motion Corp ("Piezo"), a privately held Delaware corporation formed in January 2020. Upon completion of the acquisition, Piezo is treated as the surviving entity and accounting acquirer although the Company was the legal acquirer. Accordingly, the Company's historical financial statements are those of Piezo.. The Company has two lines of operations The MemoryMD subsidiary group is involved in cloud computing, data analytics and medical device technology in the NeuroTech and brain monitoring industries seeking to commercialize its EEG devices and caps. The Piezo subsidiary group is focused on the ultrasonic standing wave-type piezo motor technology for rotary and linear motion and has experience in the research and development, as well as the manufacturing, of piezo motors for high-tech industries across the globe. The Company is headquartered in Sarasota, Florida.

Reverse Merger and Corporate Restructure

On June 11, 2021, the Company entered into a merger agreement (the "Merger Agreement") with Piezo and BRSF Acquisition Inc. to acquire Piezo (the "Acquisition"). The transactions contemplated by the Merger Agreement were consummated on October 1, 2021 and, pursuant to the terms of the Merger Agreement, all outstanding shares of Piezo were exchanged for 29,520,454 shares of the Company's common stock and Piezo became the Company's wholly owned subsidiary.

The Merger was effected pursuant to the Merger Agreement. The Merger is being accounted for as a reverse merger whereby Piezo is the acquirer for accounting purposes. Piezo is considered the acquiring company for accounting purposes as upon completion of the Merger, Piezo's former stockholders held a majority of the voting interest of the combined company.

Pursuant to the Merger, the Company issued shares of its common stock to Piezo's stockholders, at an exchange ratio of 2.93 shares of the Company's common stock.

All references to common stock, share and per share amounts have been retroactively restated to reflect the reverse recapitalization as if the transaction had taken place as of the beginning of the earliest period presented.

Acquisition Accounting

The fair value of Brain Scientific assets acquired and liabilities assumed was based upon management's estimates assisted by an independent third-party valuation firm.

The following table summarizes the allocation of purchase price of the acquisition:

Tangible Assets Acquired:		**Allocation**
Net working capital		(1,186,622)
Right of use asset		40,093
Lease liability		(46,970)
Net Tangible Assets Acquired	$	(1,193,499)
Intangible Assets Acquired:		
Brain Scientific Trade Name		133,000
MemoryMD Trade Name		533,000
Neurocap Trade Name		188,000
Neuro EEG Trade Name		11,000
Customer Relationships		(29,000)
NeuroCap Developed Technology		10,242,000
NeuroEEG Developed Technology		35,000
Total Fair Value of Assets Acquired	$	11,113,000
Consideration:		
Fair value of equity received		7,240,222
Liabilities assumed		2,978,152
Loans forgiven		605,311
Goodwill	$	913,184

Unaudited Interim Financial Information

The Company has prepared the accompanying condensed consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") for interim financial reporting. These consolidated financial statements are unaudited and, in the Company's opinion, include all adjustments, consisting of normal recurring adjustments and accruals necessary for a fair presentation of its balance sheets, operating results, and cash flows for the periods presented. Operating results for the periods presented are not necessarily indicative of the results that may be expected for 2021. Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been omitted in accordance with the rules and regulations of the SEC. These consolidated financial statements should be read in conjunction with the audited financial statements and accompanying notes.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP").

Principles of Consolidation

The Company evaluates the need to consolidate affiliates based on standards set forth in ASC 810 Consolidation ("ASC 810").

The consolidated financial statements include the accounts of the Company and its subsidiaries, Piezo Motion Corp, Discovery Technology International, Inc., MemoryMD US, MemoryMD – Russia and MemoryMD - Europe. All significant consolidated transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the useful life of property and equipment and assumptions used in the valuation of options and warrants.

The Effects of COVID-19

The World Health Organization (WHO) declared the coronavirus outbreak a pandemic on January 30, 2020. Since the outbreak in China in December 2019, COVID-19 has expanded its impact to Europe, where all of our operations reside, as well as our employees, suppliers and customers. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter-in-place orders and the ultimate impact of governmental initiatives. However, the financial impact and duration cannot be reasonably estimated at this time.

Cash and Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. At March 31, 2022 and December 31, 2021, the Company had no cash equivalents.

The Company's cash is held with financial institutions, and the account balances may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit. Accounts are insured by the FDIC up to $250,000 per financial institution. The Company has not experienced any losses in such accounts with these financial institutions. As of March 31, 2022, and December 31, 2021, the Company had $0 and $277,989, respectively, in excess over the FDIC insurance limit.

Inventory

Inventory consists of finished goods that are valued at lower of cost or market using the weighted average method.

Property and Equipment

Property, plant and equipment are carried at cost. Depreciation is provided on the straight-line method over the assets estimated service lives. Expenditures for maintenance and repairs are charged to expense in the period in which they are incurred, and betterments are capitalized. The cost of assets sold or abandoned and the related accumulated depreciation are eliminated from the accounts and any gains or losses are reflected in the accompanying statements of operations of the respective period. The estimated useful lives range from 3 to 7 years.

Intangible assets, net

Intangible assets are measured at cost less accumulated amortization and impairment losses, if any.

Intangible assets are amortized on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. The estimated useful lives, residual values, and amortization methods are reviewed at each year end, and any changes in estimates are accounted for prospectively.

Patents	3-15 years
Licenses and trademarks	9 years
Customer relationships	13 years

Amortization expense is included in the consolidated income statement within general and administrative expenses.

The asset is tested for impairment if there is a trigger for impairment.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired. Goodwill is evaluated for impairment annually or whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or circumstances that might indicate an interim evaluation is warranted include, among other things, unexpected adverse business conditions, macro and reporting unit specific economic factors (for example, interest rate and foreign exchange rate fluctuations, and loss of key personnel), supply costs, unanticipated competitive activities, and acts by governments and courts.

Convertible Notes Payable

The Company has issued convertible notes, which contain variable conversion features, whereby the outstanding principal and accrued interest automatically convert into common shares at a fixed price which may be at a discount to the common stock at the time of conversion. For certain notes, the conversion features are contingent upon future events, whereby, the holder agreed not to convert until the contingent future event has occurred.

Revenue Recognition

On January 1, 2018, the Company adopted ASC Topic 606 Revenue from Contracts with Customers. This guidance requires an entity to recognize revenue by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. Once the steps are met, revenue is recognized, generally upon receiving a letter of acceptance from the customer. There has been no material effect on the Company's financial statements as a result of adopting Topic 606.

The Company recognizes revenue from the sale of NeuroCaps, as well as revenue from the sale of goods purchased through manufacturers of medical devices. Primarily all revenues for the three months ended March 31, 2022 are from the sale of medical devices purchased from Neurotech, a related party. Revenues for the three months ended March 31, 2021 of $1,475 related to the sales of evaluation kits.

Research and Development Costs

The Company expenses all research and development costs as they are incurred. Research and development includes expenditures in connection with in-house research and development salaries and staff costs, application and filing for regulatory approval of proposed products, regulatory and scientific consulting fees, as well as contract research, data collection, and monitoring, related to the research and development of the cloud infrastructure, data imaging, and proprietary products and technology. Research and development costs recognized in the statement of operations for the three months ended March 31, 2022 and 2021 were $84,717 and $55,165, respectively.

Sales and Marketing

Advertising and marketing costs are expensed as incurred. Advertising and marketing costs recognized in the statement of operations for the three months ended March 31, 2022 and 2021 were $191,471 and $43,773, respectively.

Stock-based Compensation

The Company measures and recognizes compensation expense for all stock-based payments at fair value over the requisite service period. The Company uses the Black-Scholes option pricing model to determine the weighted average fair value of options and warrants. Equity-based compensation expense is recorded in administrative expenses based on the classification of the employee or vendor. The determination of fair value of stock-based payment awards on the date of grant using an option-pricing model is affected by our stock price as well as by assumptions regarding a number of subjective variables. These variables include, but are not limited to, the expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors.

Basic and Diluted Net Loss Per Common Share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding for the period and, if dilutive, potential common shares outstanding during the period. Potentially dilutive securities consist of the incremental common shares issuable upon exercise of common stock equivalents such as stock options, warrants and convertible debt instruments. Potentially dilutive securities are excluded from the computation if their effect is anti-dilutive. As a result, the basic and diluted per share amounts for all periods presented are identical. In the three months ended March 31, 2022 and 2021, 73,193,185, and 0 anti-dilutive securities were excluded from the computation, respectively.

Fair Value of Financial Instruments

The Company's financial instruments are measured and recorded at fair value based on inputs and assumptions that market participants would use in pricing an asset or a liability. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining fair value, management considers the principal or most advantageous market in which the Company would transact, and also considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of non-performance.

Fair value is determined for assets and liabilities using a three-tiered value hierarchy into which these assets and liabilities are grouped based upon significant inputs as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs. When a determination is made to classify a financial instrument within Level 3, the determination is based upon the lack of significance of the observable parameters to the overall fair value measurement. However, the fair value determination for Level 3 financial instruments may consider some observable market inputs.

The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The carrying values of cash, prepaid expenses and other current assets, convertible notes, accounts payable, loans payable and due to others approximate fair value due to the short-term nature of these items.

The Company did not have any other Level 1, Level 2 or Level 3 assets or liabilities as of March 31, 2022 and December 31, 2021.

Income Taxes

The Company accounts for income taxes using the asset-and-liability method in accordance with ASC Topic 740, “Income Taxes”. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. A valuation allowance is recorded if it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized in future periods.

The Company follows the guidance in ASC Topic 740-10 in assessing uncertain tax positions. The standard applies to all tax positions and clarifies the recognition of tax benefits in the financial statements by providing for a two-step approach of recognition and measurement. The first step involves assessing whether the tax position is more-likely-than-not to be sustained upon examination based upon its technical merits. The second step involves measurement of the amount to be recognized. Tax positions that meet the more-likely-than-not threshold are measured at the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate finalization with the taxing authority. The Company recognizes the impact of an uncertain income tax position in the financial statements if it believes that the position is more likely than not to be sustained by the relevant taxing authority. The Company will recognize interest and penalties related to tax positions in income tax expense. As of March 31, 2022, and December 31, 2021, the Company had no unrecognized uncertain income tax positions.

Reclassification

Certain prior years balances have been reclassified to conform to current year presentation.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standard Board (“FASB”) or other standard setting bodies that the Company adopts as of the specified effective date. Unless otherwise discussed, the Company does not believe that the impact of recently issued standards that are not yet effective will have a material impact on the Company’s financial position or results of operations upon adoption.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared in conformity with U.S. GAAP, which contemplate continuation of the Company as a going concern for a period of one year from the issuance of these financial statements. For the three months ended March 31, 2022, the Company had $159,588 in revenues, a net loss of $2,159,938 and had net cash used in operations of $1,493,658. Additionally, as of March 31, 2022, the Company had working capital deficit, stockholders’ deficit and accumulated deficit of $3,612,721, $2,488,880 and $24,438,861, respectively. It is management’s opinion that these conditions raise substantial doubt about the Company’s ability to continue as a going concern for a period of twelve months from the date of the issuance of these financial statements.

The financial statements do not include any adjustments to reflect the possible future effect on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.

Successful completion of the Company’s development program and, ultimately, the attainment of profitable operations are dependent upon future events, including obtaining adequate financing to fulfill its development activities, acceptance of the Company’s patent applications and ultimately achieving a level of sales adequate to support the Company’s cost structure. However, there can be no assurances that the Company will be able to secure additional equity investments or achieve an adequate sales level.

NOTE 4 – INVENTORY

	March 31, 2022	December 31, 2021
Raw materials	$ 99,319	$ 93,190
Parts	11,857	11,857
Finished goods	44,676	41,043
Total	$ 155,852	$ 146,090

NOTE 5 – PREPAID EXPENSES AND OTHER CURRENT ASSETS

	March 31, 2022	December 31, 2021
Prepaid insurance	$ 68,451	$ 105,900
Other prepaid expenses	37,682	46,170
Lease deposits	14,378	14,378
Other assets	-	10
Total	$ 120,511	$ 166,458

As of March 31, 2022 and December 31, 2021, there was a total amount of $90,000 and $95,000 of long-term prepaid insurance, respectively.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment, net consists of the following:

	March 31, 2022	December 31, 2021
Machinery and equipment	$ 183,186	$ 176,678
Leasehold improvements	12,283	12,283
	195,469	188,961
Less: Accumulated depreciation	(74,357)	(65,982)
Total	$ 121,112	$ 122,979

Depreciation expense was $8,375 and $5,333 for the three months ended March 31, 2022 and 2021, respectively.

NOTE 7 – INTANGIBLE ASSETS, NET

The components of the acquired intangible assets were as follows:

	Preliminary Fair Value	Average Estimated Life
Patent products	$ 10,277,000	3.3 - 15.4
Licenses and trademarks	865,000	9
Customer/distribution list	(29,000)	12.5
	$ 11,113,000	
Accumulated amortization	(192,423)	
Total	10,920,577	

	March 31, 2022	December 31, 2021
Intangible assets	$ 11,113,000	$ 11,113,000
Less: Accumulated depreciation	(384,731)	(192,423)
Total	$ 10,728,269	$ 10,920,577

NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable as of March 31, 2022 and December 31, 2021 consisted of the following:

	March 31, 2022	December 31, 2021
Trade payables	$ 1,092,710	$ 1,101,028
Accrued payroll and related expenses	1,498,011	1,593,925
Accrued expenses	171,157	255,820
Customer deposits	-	36,491
Total	$ 2,761,878	$ 2,987,264

NOTE 9 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES – RELATED PARTY

Accounts payable related parties as of March 31, 2022 and December 31, 2021 consists of accrued director's fees in the amount of $75,000.

NOTE 10 – CONVERTIBLE NOTES PAYABLE – SHORT TERM

Assumed convertible debt

As part of the merger, the Company assumed $891,133 of outstanding convertible debt. During the fourth quarter of 2021, the Company paid off $574,133, and signed an amendment to one of the debt agreements increasing the debt by $20,000, resulting in an outstanding balance of the assumed convertible debt as of March 31, 2022 and December 31, 2021 of $337,000. The assumed convertible debt is made up of the 2019 Note and the Convertible Grid note whose terms described below.

2019 Note

On December 31, 2019, the Company entered into a Securities Purchase Agreement and issued and sold to a third party a Convertible Note in the original principal amount of $275,000 (the "Note"), and a warrant to purchase 100,000 shares of the Company's common stock (the "Warrant"). A one-time interest charge of 8% was applied on December 31, 2019 and will be payable, along with the Principal, on the maturity date.

On December 30, 2021, the Company signed an allonge amending the Note extending the maturity date to April 30, 2022 and amending the outstanding balance and payment schedule to provide for two equal payments of $60,000 on March 31, 2022 and April 30, 2022. On March 31, 2022 the Company signed an allonge amending the Note, extending the maturity date to December 31, 2022 and amended the outstanding balance and payment schedule to provide for seven monthly payments of $10,000 plus interest at the rate of 14% per annum. The first monthly payment is payable on June 30, 2022. A final payment of $50,000 plus interest is due upon maturity. The outstanding principal balance as of March 31, 2022 and December 31, 2021 was $87,000.

The unpaid outstanding principal amount and accrued and unpaid interest under the Note shall be convertible into shares of the Company's common stock at any time at the option of the investor. The conversion price was set at the merger to $0.28 which is equal to 80% multiplied by the price per share used in the merger calculations.

The Note contains a price-based anti-dilution provision, pursuant to which the conversion price of the Note shall be reduced upon the occurrence of certain dilutive issuances of Company securities as set forth in the Note. The conversion of the Note is also subject to a beneficial ownership limitation of 4.99% of the number of shares of common stock outstanding immediately after giving effect to such conversion. In the event the Company, prior to the maturity date of the Note, issues any Security (as defined in the Note) with any term more favorable to the holder of such Security or with a term in favor of the holder of such Security that was not similarly provided to the Investor, then at the Investor's option such term shall become a part of the Note. The Company also agreed to provide piggy-back registration rights to the investor pursuant to which the Company shall include all shares issuable upon conversion of the Note on the next registration statement the Company files with the Securities and Exchange Commission.

The Note contains events of default which, among other things, entitle the Investor to accelerate the due date of the unpaid principal amount of, and all accrued and unpaid interest on, the Note. Upon the occurrence of any event of default, the outstanding balance shall immediately and automatically increase to 130% of the outstanding balance immediately prior to the event of default, and the conversion price of the Note shall be redefined to equal 65% of the lowest trade accruing during the 10 consecutive Trading Days (as defined in the Note) immediately preceding the applicable Conversion Date (as defined in the Note). Nickolay Kukekov, a director of the Company, and a third party, each has personally guaranteed the repayment of the Note.

The Warrant has an exercise price of $1.25 per share (the "Exercise Price"), subject to adjustments as provided in the Warrant, and has a term of five years. The Warrant contains a price-based anti-dilution provision, pursuant to which the exercise price of the Warrant shall be reduced upon the occurrence of certain dilutive issuances of securities as set forth in the Warrant, with a corresponding increase in the number of shares underlying the Warrant if the dilutive event occurs during the first three years of the Warrant, and a cashless exercise provision. The exercise of the Warrant is subject to a beneficial ownership limitation of 9.99% of the number of shares of common stock outstanding immediately after giving effect to such exercise.

Convertible Grid Notes

On April 21, 2020, the Company issued a Convertible Grid Promissory Note (the "Caleca Note") to Thomas J. Caleca ("Caleca"), an existing stockholder of the Company, pursuant to which Caleca agreed to advance to the Company the aggregate principal amount of $125,000 (the "Caleca Aggregate Advance"). The Company also issued to Caleca a common stock purchase warrant (the "Caleca Warrant"), granting Caleca the right to purchase up to 750,000 shares of the Company's common stock at a per share exercise price of $0.80 (subject to adjustment as set forth in the Caleca Warrant).

Also on April 21, 2020, the Company issued a Convertible Grid Promissory Note (the "Brown Note", and together with the Caleca Note, the "Grid Notes") to Andrew Brown ("Brown", and together with Caleca, the "Grid Investors"), an existing stockholder of the Company, pursuant to which Brown agreed to advance to the Company the aggregate principal amount of $125,000 (the "Brown Aggregate Advance", and together with the Caleca Aggregate Advance, the "Aggregate Advance"). The Company also issued to Brown a common stock purchase warrant (the "Brown Warrant", and together with the Caleca Warrant, the "Grid Warrants"), granting Brown the right to purchase up to 750,000 shares of the Company's common stock at a per share exercise price of $0.80 (subject to adjustment as set forth in the Brown Warrant). The Grid Warrants are exercisable at any time commencing on the eighteen-month anniversary of the issuance of the Grid Warrants (as may be accelerated pursuant to the terms of the Grid Warrants) and expiring on the five-year anniversary of the issuance of the Grid Warrants. In 2021, the terms of the Grid Warrants were amended extending the first date of exercise to October 21, 2022.

The Grid Notes bear interest on the unpaid balances at a fixed simple rate of twelve percent (12%) per annum (subject to a rate increase if the Company commits an Event of Default (as defined in the Grid Notes)), computed based on a 360-day year of twelve 30-day months, commencing on the date of the respective advance and payable quarterly. The principal amount of the Aggregate Advance, or so much thereof as has been advanced to the Company by the Grid Investors from time to time pursuant to the Grid Notes, was payable on April 21, 2021, which was amended to April 21, 2022. The Company has a total outstanding principal balance of $250,000 as of March 31, 2022 and December 31, 2021 and accrued interest of $35,532 and $28,032 as of March 31, 2022 and December 31, 2021, respectively. Subsequent to the balance sheet date, the Grid Notes and accrued interest were converted into 287,242 shares of common stock.

The unpaid outstanding principal amount and accrued and unpaid interest under the Grid Notes shall be convertible at any time prior to the maturity date of the Grid Notes at the election of the Grid Investors into such number of shares of the Company's common stock obtained by dividing the amount so converted by $1.00 (the "Conversion Price"). At the maturity date of the Grid Notes, all of the remaining unpaid outstanding principal amount and accrued and unpaid interest (the "Outstanding Balance") under the Grid Notes shall automatically convert into such number of shares of the Company's common stock obtained by dividing the Outstanding Balance by the Conversion Price. The Grid Notes may not be prepaid by the Company in whole or in part without the prior written consent of the respective Grid Investor.

The Grid Notes contain customary events of default, which, if uncured, entitle the Grid Investors to accelerate the due date of the unpaid principal amount of, and all accrued and unpaid interest on, their Grid Notes.

NOTE 11 – NOTES PAYABLE

December 28, 2020 Note

On December 28, 2020, the Company entered into a Securities Purchase Agreement (the "December Purchase Agreement") dated as of December 28, 2020 (the "December 28 Issuance Date") and issued and sold to an investor a Promissory Note (the "December 28 Note") in the aggregate principal amount of $300,000. Pursuant to the December Purchase Agreement, in connection with the issuance of the December 28 Note, the Company issued two common stock purchase warrants (separately, "Warrant A" and "Warrant B", and together, the "December Warrants") to the investor, allowing the investor to purchase an aggregate of 500,000 shares of the Company's common stock, with Warrant A being a commitment fee of 250,000 shares of common stock, and Warrant B being fully earned upon issuance as an additional commitment fee of 250,000 shares of common stock, provide that Warrant B is returnable to the Company upon the repayment of the December 28 Note, as an additional incentive for the repayment of the December 28 Note. The net amount received by the Company during the year ended December 31, 2020 was approximately $265,000 after payment of certain fees to the investor or on behalf of the investor. The December 28 Note bears interest commencing on the December 28 Issuance Date at a fixed rate of 12% per annum on any unpaid principal balance, and will be payable, along with the principal amount, on December 28, 2021.

A lump-sum interest payment for one year is due on the December 28 Issuance Date and added to the principal balance and payable on the maturity date of the December 28 Note or upon acceleration or by prepayment or otherwise, notwithstanding the number of days which the principal is outstanding. Principal payments shall be made in 6 installments each in the amount of $56,000 commencing 180 days following the Issue Date (as defined in the Note) and continuing thereafter each 30 days for 5 months. The Company recorded debt discount of $300,000 related to the December 28 Note, which was fully amortized as of December 31, 2021. The Company has a total outstanding principal balance of $300,000 as of March 31, 2022.

On December 28, 2021, the December 28 Note was amended to add $33,600 of interest, and to amend the payment terms to two equal payments of $184,800 due on February 28, 2022 and March 31, 2022. During the three months ended March 31, 2022, the Company made a payment of $65,300 in respect of the outstanding interest. The Company is in the process of renegotiating the payment terms of the outstanding principal and remaining interest.

Provided that an event of default under the December 28 Note has not occurred, the Company may prepay in whole or in part the amounts outstanding under the December 28 Note without a prepayment penalty.

The December 28 Note contains customary events of default which entitle the investor, among other things, to accelerate the due date of the unpaid principal amount of, and all accrued and unpaid interest on, the December 28 Note. Upon an event of default, interest shall accrue at a default interest rate of 24% per annum or, if such rate is usurious or not permitted by current law, then at the highest rate of interest permitted by law. The December 28 Note further contains monetary penalties in the event of certain events of default or breaches.

The December Warrants each have an exercise price of $1.20, subject to customary adjustments, and may be exercised at any time until the three-year anniversary of the December Warrants; provided, however, in the event the Company repays the December 28 Note in its entirety on or prior to the maturity date of the December 28 Note, Warrant B shall automatically expire and may only be exercised in the event it does not so automatically expire. The December Warrants include a cashless exercise provision as set forth therein.

NOTE 12 – CONVERTIBLE NOTES PAYABLE

2021 Notes

In conjunction with the closing of the Merger on October 1, 2021, the Company conducted an initial closing under a private offering (the "Offering") of 10% convertible promissory notes due and payable on April 1, 2023 (the "2021 Notes"). As part of the Offering, the Company exchanged the 2020 Notes and accrued interest as well as additional notes issued in 2021 with the same terms as the 2020 Notes and their accrued interest amounting to $4,328,407, as well as $1,540,508 of debt assumed in the merger into 2021 Notes. At the merger, the Company also issued a convertible promissory note to an investor in the amount of $2,950,000 with proceeds of $2,850,000 net of an original issuance discount, with the same terms as the 2021 Notes. The balance of the debt discount at March 31, 2022 and December 31, 2021 was $66,910 and $83,364, respectively. Each holder of the 2021 Notes, provided that the note is still then outstanding, will be issued, on the earlier of (i) the date, if any, upon which the Company's common stock is listed for trading on the NASDAQ stock exchange (the "Uplist"), and (ii) the date that is eighteen months from the date of issuance, a warrant to purchase an amount of shares of the Company's common stock, equal to such holder's Warrant Share Amount. For purposes of the foregoing, a holder's "Warrant Share Amount" means (i) if such Warrant is issued in connection with the Uplist, one half of the initial principal balance of such Holder's Note at issuance divided by the lesser of (A) $0.40, and (B) and the greater of (x) $0.20 and (y) one hundred twenty percent (120%) of the closing price for the Company's common stock on the trading day prior to the date of the Uplist, and (ii) if such Warrant is issued otherwise than in connection with the Uplist, the initial principal balance of such Holder's Note, divided by the lesser of (A) $0.40, and (B) and the greater of (x) $0.20 and (y) one hundred twenty percent (120%) of the volume weighted average price ("VWAP") for the Company's common stock over the five consecutive trading days immediately preceding the date that is eighteen months from the date of issuance. The 2021 Notes contain mandatory and voluntary conversion features as detailed in the agreement.

On December 21, 2021, the Company consummated the second closing of the Offering whereby the Company entered into a Securities Purchase Agreement (the "SPA") with three accredited investors, pursuant to which the investors purchased from the Company, 2021 Notes in the principal amount of $900,000.

During the three months ended March 31, 2022, the Company consummated the third closing of the Offering whereby the Company entered into a Securities Purchase Agreement (the "SPA") with three accredited investors, pursuant to which the investors purchased from the Company, 2021 Notes in the principal amount of $1,150,000.

As of March 31, 2022 and December 31, 2021, the total amount of 2021 Notes principal outstanding was $10,868,915 and $9,718,915, respectively.

NOTE 13 – NOTES PAYABLE – RELATED PARTY

As part of the October 1, 2021 merger with Piezo Motion Corp. and BRSF Acquisition Corp., the Company assumed $155,530 of related party loans from entities related to the former executives and directors of the Company. When assumed, these loans did not bear interest and had a maturity date of December 31, 2021. On March 9, 2022, the loans were amended to provide for an interest rate of 9% per annum, and to extend the maturity dates to provide for payments of $53,000 with accrued interest on March 31, 2022 and June 1, 2022, and a payment of $49,000 plus accrued interest on August 1, 2022. On May 6, 2022 the payment terms were further amended to payments of $53,000 with accrued interest on May 31, 2022 and August 1, 2022, and a payment of $49,000 plus accrued interest on October 1, 2022.

NOTE 14 – LEASES

The Company has two leases that are accounted for under ASC 842.

The Company entered into a lease agreement for office space located in Sarasota, Florida. The term of the lease is for a period of two years commencing on February 1, 2021 and ending on February 1, 2023. The rent is $6,530 per month for year 1, $6,726 per month for year 2 and $6,928 per month for year 3. The Company will account for the lease under ASC 842 whereby the operating lease right-of-use assets and liabilities are recognized at the present value of the future lease payments at the lease commencement date.

The Company had a lease agreement with terms up to 2 years for the lease of office space. The assets and liabilities from operating leases were recognized at the commencement date based on the present value of remaining lease payments over the lease term using the Company's secured incremental borrowing rates or implicit rates, when readily determinable. This lease was settled on January 1, 2022, and the Company recorded a gain of $1,660 in respect of the early settlement.

Short-term leases, which have an initial term of 12 months or less, are not recorded on the balance sheet.

The Company's operating lease does not provide an implicit rate that can readily be determined. Therefore, we use a discount rate based on our incremental borrowing rate used at the date closest to lease inception.

The Company's weighted-average remaining lease term relating to its operating leases is 1.9 years, with a weighted-average discount rate of 10.32%.

The Company incurred lease expense for its operating leases of $21,497 and $0 which was included in "General and administrative expenses," for the three months ended March 31, 2022 and 2021, respectively.

The following table presents information about the amount and timing of liabilities arising from the Company's operating lease as of March 31, 2022:

Maturity of operating lease liabilities for the following fiscal years:

2022	$	64,471
2023		88,325
2024		7,378
Total undiscounted finance lease payments		160,174
Less: Imputed interest		13,261
Present value of finance lease liabilities	$	146,913

At March 31, 2022, the operating lease right of use assets was $144,380. Supplemental balance sheet information related to the lease as of March 31, 2022 was:

Operating lease right-of-use asset	$	144,380
Lease liability, current portion		75,814
Lease liability, long-term		71,099
Total operating lease liability	$	146,913

NOTE 15 – STOCKHOLDERS' DEFICIT

Preferred Stock

The Company has authorized 10,000,000 shares of undesignated preferred stock with a $0.001 par value. As of March 31, 2022, no preferred shares have been issued and these shares are considered blank check preferred shares with no terms, limitations, or rights associated with them.

Common Stock

The Company has authorized 200,000,000 shares of common stock with a $0.001 par value per share. The holders of common stock are entitled to one vote for each share of common stock held at the time of vote. As of March 31, 2022, the Company had 50,578,003 shares outstanding or deemed outstanding.

Shares Issued for Services

In January 2022, the Company issued 360,695 shares to a service provider in respect of $129,850 of outstanding payables.

Warrants

The following table summarized the warrant activity for the three months ended March 31, 2022:

Warrants	Number of Shares		Weighted Average Exercise Price	Weighted Average Remaining Contractual Term		Aggregate Intrinsic Value
Balance Outstanding, December 31, 2021	9,258,191	$	0.45	6.85	$	304,799
Granted	-		-	-		-
Forfeited	-		-	-		-
Exercised	-		-	-		-
Expired	-		-	-		-
Balance Outstanding, March 31, 2022	9,258,191	$	0.45	6.61	$	548,780
Exercisable, March 31, 2022	7,758,191	$	0.38	7.88	$	548,780

Equity Incentive Plan

As of September 21, 2018, the Company's board of directors adopted, and stockholders approved the 2018 Equity Incentive Plan (the "2018 Plan"). The 2018 Plan has a 10-year term, which terminates on the day prior to the 10th anniversary of its adoption by the Board. Under the 2018 Plan, the Company may grant equity-based incentive awards, including options, restricted stock, and other stock-based awards, to any directors, employees, advisers, and consultants that provide services to the Company. The vesting period, term and exercise price will be determined at the time of the grant. An aggregate of up to 3,500,000 of the Company's common stock was reserved for issuance under the 2018 Plan. On July 15, 2021 the Company's board of directors increased the number of shares of common stock authorized for grant from 3,500,000 to 8,000,000.As of March 31, 2022, the Company has granted and has 7,249,208 options outstanding, as well as 107,876 shares of restricted common stock issued under the 2018 Plan.

On October 1, 2021, the Board of Directors approved the issuance of options to purchase an aggregate of 4,504,214 shares of common stock to an executive and a director. The options have an exercise price of $0.35 per share and vested immediately upon issuance. The options will expire on October 1, 2031. The aggregate fair value of $1,270,188 was calculated using the Black-Scholes pricing model with the following assumptions: (i) expected life 5years, (ii) volatility of 115%, (iii) risk free rate of 0.93% (iv) dividend rate of zero, (v) stock price of $0.35, and (vi) exercise price of $0.35. The expense of 1,270,188 was recorded in full upon issuance.

On October 21, 2021, the Board of Directors approved the issuance of options to purchase an aggregate of 1,218,248 shares of common stock to the CEO. The options have an exercise price of $0.39 per share with vesting terms of 304,562 vesting on April 21, 2022 and the remainder monthly ratably through October 21, 2023. The options will expire on October 21, 2031. The aggregate fair value of $372,384 was calculated using the Black-Scholes pricing model with the following assumptions: (i) expected life of 4.65 years, (ii) volatility of 113.90%, (iii) risk free rate of 1.22% (iv) dividend rate of zero, (v) stock price of $0.39, and (vi) exercise price of $0.39. These options were amended on December 10, 2021 and December 30, 2021 adjusting the exercise price to $0.21 and the vesting schedule to vest equally at the end of each quarter in 2022. The expense will be amortized over the amended vesting period and a total of $36,667 was recorded during the year ended December 31, 2021.

On December 10, 2021, the Board of Directors approved the issuance of options to purchase an aggregate of 2,718,247 shares of common stock to the certain employees of the Company. The options have an exercise price of $0.21 per share with vesting terms of one quarter vesting on June 10, 2022 and the remainder monthly ratably through December 10, 2023. The options will expire on December 11, 2031. The aggregate fair value of $472,975 was calculated using the Black-Scholes pricing model with the following assumptions: (i) expected life of 5 years, (ii) volatility of 116.90%, (iii) risk free rate of 1.26% (iv) dividend rate of zero, (v) stock price of $0.21, and (vi) exercise price of $0.21. These options were amended on December 30, 2021 adjusting the vesting schedule to vest equally at the end of each quarter in 2022. As the share price had increased on the amendment date, the amendment resulted in an increase to the aggregate fair value of $111,166. The increased fair value along with the unamortized portion of the original fair value will be amortized over the amended vesting schedule. A total of $26,574 was recorded during the year ended December 31, 2021.

On November 15, 2021, the Board of Directors approved the issuance of options to purchase an aggregate of 1,448,276 shares of common stock to the directors of the Company. The options have an exercise price of $0.29 per share and vest per days in service as members of the board of directors during the quarter, at the end of the quarter with the final quarterly vesting quarter end of December 31, 2022. The options will expire on December 11, 2031. The aggregate fair value of $341,793 was calculated using the Black-Scholes pricing model with the following assumptions: (i) expected life of 5.04 years, (ii) volatility of 115.8%, (iii) risk free rate of 1.25% (iv) dividend rate of zero, (v) stock price of $0.29, and (vi) exercise price of $0.29. The expense will be amortized over the vesting period and a total of $28,254 was recorded during the year ended December 31, 2021.

The following table summarized the option activity for the three months ended March 31, 2022:

Options	**Number of Shares**	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Term**	**Aggregate Intrinsic Value**
Balance Outstanding, December 31, 2021	11,753,422	$ 0.36	9.47	$ 196,825
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Balance Outstanding, March 31, 2022	11,753,422	$ 0.36	9.23	$ 368,767
Exercisable, March 31, 2022	7,878,665	$ 0.43	9.02	$ 94,007

For future periods, the remaining value of the stock options totaling approximately $967,749 will be amortized into the statement of operations consistent with the period for which the services will be rendered.

NOTE 16 – RELATED PARTY TRANSACTIONS

The Company rents office space from a company in which Hassan Kotob, CEO, has an ownership. For the three months ended March 31, 2022 and 2021, the Company incurred rental expense of $9,900 and $9,900 in respect of this office.

On November 12, 2021, the Company entered into a Representation Agreement with LOK Corporation International Inc. ("LOK"), a corporation in which Daniel Cloutier, a director, serves as the chief executive officer. Under the Representation Agreement, LOK acts as the worldwide sales manager for our NeuroCap, NeuroEEG and their accessories. LOK is responsible for the evaluation of regional distribution, development, recruitment and training of the distribution network and provide in-country customer support. Fees for the services are 10% of sales occurring through the distribution channels. The contract term is for three years. To date, we have paid LOK approximately $4,750 for training platform development but no other service fees and no commissions.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

On February 18, 2022, the Company signed an outsourced manufacturing agreement with Bioana, S.A.P.I. DE C.V. The agreement is for three years, ending December 31, 2024 for a minimum order quantity of 10,000 NeuroCaps per annum. Unit cost for the NeuroCap is fixed for the first year ending December 31, 2022. The manufacturing agreement will renew annually unless terminated in writing by one of the parties.

NOTE 18 – SUBSEQUENT EVENTS

In accordance with ASC 855 "Subsequent Events," Company management reviewed all material events through the date this report was issued, and the following subsequent events took place.

On April 20, 2022, the Grid Notes (see Note 10) and accrued interest were converted into 287,242 shares of common stock.

During April and May 2022, the Company issued 2021 Notes (See Note 12) totaling $888,500 to new and current investors.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward Looking Statements

The following discussion should be read in conjunction with our unaudited financial statements and related notes included in Item 1, "Financial Statements," of this Quarterly Report on Form 10-Q. Certain information contained in this MD&A includes "forward-looking statements." Statements which are not historical reflect our current expectations and projections about our future results, performance, liquidity, financial condition and results of operations, prospects and opportunities and are based upon information currently available to us and our management and their interpretation of what is believed to be significant factors affecting our existing and proposed business, including many assumptions regarding future events. Actual results, performance, liquidity, financial condition and results of operations, prospects and opportunities could differ materially and perhaps substantially from those expressed in, or implied by, these forward-looking statements as a result of various risks, uncertainties and other factors, including those risks described in detail in the section entitled "Risk Factors" of this Quarterly Report on Form 10-Q.

Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words "may," "should," "would," "will," "could," "scheduled," "expect," "anticipate," "estimate," "believe," "intend," "seek," or "project" or the negative of these words or other variations on these words or comparable terminology.

In light of these risks and uncertainties, and especially given the nature of our existing and proposed business, there can be no assurance that the forward-looking statements contained in this section and elsewhere in this Quarterly Report on Form 10-Q will in fact occur. Potential investors should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, there is no undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

Overview

The Company is a MedTech company with two cutting edge product lines: Neurology and Motion Products. Since October 1, 2021, the Company has had two subsidiaries, each of which is focused on one of our complimentary Product lines. The Neurology Products of Memory MD are designed for neurology-focused medical devices. The Motion Products of Piezo are piezoelectric motors which are fast, precise, tiny and powerful. The piezo motors are designed for and expected to have valuable and beneficial uses as motors within medical devices and devices outside of the MedTech industry. We have developed twelve motor platforms and an ultra-precise micro dosing pump, each of which is presently available commercially. We are also currently developing additional motion products that leverage our patented intellectual property.

We were initially organized on November 18, 2013 as a Nevada limited liability company under the name Global Energy Express LLC by the filing of articles of organization with the Secretary of State of the State of Nevada. On December 18, 2015, we converted from a Nevada limited liability company under the name Global Energy Express LLC to a Nevada corporation under the name All Soft Gels Inc. by the filing of articles of conversion and articles of incorporation with the Secretary of State of the State of Nevada. On September 18, 2018, we changed our name from All Soft Gels Inc. to Brain Scientific Inc. and changed our ticker symbol on the OTC Pink market to "BRSF".

On September 21, 2018, we entered into a merger agreement (the "Merger Agreement") with MemoryMD, Inc. and AFGG Acquisition Corp. to acquire MemoryMD, Inc. (the "Acquisition"). The transactions contemplated by the Merger Agreement were consummated on September 21, 2018 and, pursuant to the terms of the Merger Agreement, all outstanding shares of MemoryMD were exchanged for shares of our common stock. Accordingly, we acquired 100% of Memory MD, Inc. in exchange for the issuance of shares of our common stock and MemoryMD, Inc. became our wholly-owned subsidiary. In conjunction with the Acquisition, we ceased all direct operations and assigned all of our assets and liabilities from prior to the Acquisition, and assumed and commenced the business of MemoryMD as the sole business of the Company.

On June 11, 2021, we entered into another merger agreement (the "Piezo Merger Agreement") with Piezo Motion Corp. and BRSF Acquisition Corp. to acquire Piezo. (the "Piezo Acquisition"). The transactions contemplated by the Piezo Merger Agreement were consummated on October 1, 2021. Pursuant to the terms of the Piezo Merger Agreement, all outstanding shares of Piezo were exchanged for shares of our common stock. Accordingly, we acquired 100% of Piezo in exchange for the issuance of shares of our common stock and Piezo became our wholly-owned subsidiary.

The financial statements are represented based upon the Piezo financials up until the Piezo Acquisition. The combined company financials are provided inclusive of the BSI operations for the fourth quarter of 2021. The accounting is based upon reverse merger accounting due to the majority of outstanding shares after the Piezo Acquisition were with the Piezo shareholders.

The majority of revenue in 2021 is from 4th quarter sales from our subsidiary which operates as a distributor of third-party medical devices in Russia (except for $38,309 from Piezo sales and $6,194 of sales from MemoryMD in the U.S.). Sales of $93,664 in 2020 were based upon sale of piezoelectric motors, including non-recurring engineering consulting and software licensing revenue. While we intend to continue the sale of third-party medical devices, we do not intend for it to be our primary source of revenue in the long-term. The Russian invasion of Ukraine on February 24, 2022 may have impact on our ability to continue the Russian operations. We also can give no assurance that any revenue we generate from so acting as a distributor of third-party medical devices will continue, will continue to be material or will be sufficient to enable us to continue our operations. We have no supply or distribution agreements in place with respect to such business. In the event that we see an opportunity to sell such products, we procure them and then re-sell them.

We have limited resources. To date, our primary activities have been limited to, and our limited resources have been dedicated to, commercializing our piezoelectric motors, NeuroCap and NeuroEEG. performing business and financial planning, raising capital, recruiting personnel, and conducting development activities, although we have acted as a distributor of third-party medical devices in Russia (which has generated revenue for us in 2021. Both our Neurology Products and Motion Products are production ready for manufacture and sale. For all our Products we have commenced some non-recurring, initial sales.

Financial Overview

Revenue

Revenues for the three months ended March 31, 2022 were generated primarily from the Russian subsidiary for distributing third-party medical devices in Russia (including those purchased from a company affiliated with one of our former officers and directors), while we continue to commercialize our products. While we intend to continue generating revenues through the sale of third-party medical devices, we do not intend for it to be our primary source of revenue in the long-term. Sales for piezoelectric motors decreased from 2021 as the Company focused on the final commercialization of the Blue Series of motors. Revenues for the three months ended March 31, 2021 of $1,475 related to the sales of evaluation kits. We do not expect to generate recurring, material revenue from our products unless or until we successfully commercialize our products. If we fail to successfully commercialize our developed products or fail to complete the development of any other product candidate we may pursue in the future, in a timely manner, or fail to obtain regulatory approval, we may not be able to solely rely on generating substantial and material revenue from the distribution of third-party medical devices.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs for administration, product management, for personnel in functions not directly associated with sales and marketing or research and development activities. Other significant costs include rent, travel, legal fees relating to corporate matters, intellectual property costs, professional fees for consultants assisting with regulatory, product development and financial matters, and product costs. We anticipate that our general and administrative expenses will be steady in the near to support our continued commercialization of our Products and maintaining the infrastructure for a public company.

Research and Development

Research and development expenses consist of expenses incurred in performing research and development activities in developing our Products. Research and development expenses include compensation and benefits for research and development employees, overhead expenses, cost of laboratory supplies, costs related to regulatory operations, fees paid to consultants, and other outside expenses. Research and development costs are expensed as incurred and costs incurred by third parties are expensed as the contracted work is performed.

We expect our research and development expenses to be maintained at the current level until we begin generating revenue from our existing Neurology and Motion Products. We anticipate it will then begin to increase as we exploit additional patents in our Motion Products and develop our Neurology Products, including conducting preclinical testing and clinical trials.

Interest Expense

Interest expense primarily consists of costs and interest costs related to the convertible notes we issued in 2022 and 2021. The convertible notes bear interest at fixed rate of 10% per annum.

Results of Operations

The following table sets forth the results of operations of the Company for the three months ended March 31, 2022 and 2021.

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021	Period to Period change
Revenue	$ 159,588	$ 1,475	$ 158,113
Cost of goods sold	$ 106,675	$ 575	$ 106,100
Research and development	$ 84,717	$ 55,165	$ 29,552
Professional fees	$ 187,766	$ 50,057	$ 137,709
Sales and marketing expenses	$ 191,471	$ 43,773	$ 147,698
General and administrative	$ 1,185,457	$ 559,462	$ 625,995
Share based compensation	$ 298,301	$ -	$ 298,301
Interest expense	$ 271,919	$ 58,785	$ 213,134

Three Months Ended March 31, 2022 vs. Three Months Ended March 31, 2022

Revenues

Revenue for the three months ended March 31, 2022 was $159,588, compared to $1,475 for the three months ended March 31, 2021. In the three months ended March 31, 2022 and 2021, we generated our revenue primarily through our Russian subsidiary acquired in the merger, acting as a distributor of third-party medical devices in Russia (including those purchased from a company affiliated with one of our former officers and directors). Revenues for the three months ended March 31, 2021 of $1,475 related to the sales of evaluation kits.

General and administrative expenses

General and administrative expenses were $1,185,457 for the three months ended March 31, 2022, compared to $55,165 for the three months ended March 31, 2021. The increase in general and administrative expenses was primarily due to an increase in payroll and related expenses, and amortization of intangible assets.

Research and development expenses

Research and development expenses were $84,717 for the three months ended March 31, 2022, compared to $55,165 for the three months ended March 31, 2021. The increase in research and development expenses were primarily due to increased activities in our Ukranian office as well as payroll expenses.

Professional fees

Professional fees were $187,766 for the three months ended March 31, 2022, compared to $50,057 for the three months ended March 31, 2021. The increase was primarily due to an increase in legal, accounting and consulting fees in the current quarter due to regulatory filings and requirements, and fund-raising activities.

Interest expense

Interest expense for the three months ended March 31, 2022 was $271,919, consisting of interest expense of $255,466 and amortization of debt issuance costs and discounts of approximately $16,453 related to the Company's convertible and non-convertible promissory notes.

Liquidity and Capital Resources

While we have generated revenue in 2022 and 2021, we anticipate that we will continue to incur losses for the foreseeable future, including after any consummation of the Merger with Piezo, which we can give no assurance of success. Furthermore, substantially all of such revenue was generated through acting as a distributor of third-party medical devices in Russia, and we did not have any material sales of our products. We anticipate that our expenses will increase substantially as we develop our products and pursue pre-clinical testing and clinical trials, seek any further regulatory approvals, contract to manufacture any products, establish our own sales, marketing and distribution infrastructure to commercialize our products, hire additional staff, add operational, financial and management systems and operate as a public company. We also expect to increase our expenses as a result of the Merger.

Historically, our primary source of cash has been proceeds from the sale of convertible promissory notes and related party loans. We have also from time to time issued shares of our common stock to individuals and entities as payment for services rendered to us in lieu of cash.

We have no current source of revenue to sustain our present activities other than as acting as a distributor of medical devices in Russia (including those purchased from a company affiliated with one of our offices and directors), which is not our primary business goal, and we do not expect to generate material revenue, from our products until, and unless, the FDA or other regulatory authorities approve our products under development, and we successfully commercialize our products. Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through our distributorship revenue, a combination of equity (preferred stock or common stock) and debt financings as well as collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third-party partners, we may have to relinquish valuable rights to our technologies, future revenue streams or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or through collaborations, strategic alliances or licensing arrangements when needed, we may be required to delay, limit, reduce or terminate our Product development, future commercialization efforts, or grant rights to develop and market our cortical strip, grid electrode and depth electrode technology that we would otherwise prefer to develop and market ourselves.

Our independent registered public accounting firm included an explanatory paragraph in its report on our financial statements as of and for the years ended December 31, 2021 and 2020, noting the existence of substantial doubt about our ability to continue as a going concern. This uncertainty arose from management's review of our results of operations and financial condition and its conclusion that, based on our operating plans, we did not have sufficient existing working capital to sustain operations for a period of twelve months from the date of the issuance of these financial statements.

We will require additional funds and/or generate revenues, to continue to fund operations of the company.

During the three months ended March 31, 2022, we issued convertible promissory notes in the amount of $1,150,000. We may obtain additional financing in the future through the issuance of our common stock, through other equity or debt financings or through collaborations or partnerships with other companies. We may not be able to raise additional capital on terms acceptable to us, or at all, and any failure to raise capital as and when needed could compromise our ability to execute on our business plan.

The development of our products is subject to numerous uncertainties, and we have based these estimates on assumptions that may prove to be substantially different than we currently anticipate and could use our cash resources sooner than we expect. Additionally, the process of developing medical devices is costly, and the timing of progress in pre-clinical tests and clinical trials is uncertain. Our ability to successfully transition to profitability will be dependent upon achieving a level of product sales adequate to support our cost structure. We cannot assure you that we will ever be profitable or generate positive cash flow from operating activities.

Net cash used in operating activities

Net cash used in operating activities was $1,493,658 for the three months ended March 31, 2022 compared to $672,962 for the three months ended March 31, 2021. This fluctuation is primarily due to an increase in net loss of $1,505,934 and a gain on lease settlement of $1,660, partially offset by increases in share based compensation expenses of $298,301, depreciation and amortization expenses of $195,350, amortization of debt discount of $16,454 and a decrease in cash used in working capital of $64,455.

Net cash used in investing activities

Net cash used in investing activities was $6,508 for the three months ended March 31, 2022, compared to $20,122 for the three months ended March 31, 2021. The decrease was due primarily to a decrease in purchases of property and equipment.

Net cash provided by financing activities

Net cash provided by financing activities was $1,060,759 for the three months ended March 31, 2022, which primarily consisted of the issuances of convertible promissory notes for aggregate gross proceeds of $1,150,000, offset by the partial repayments of non-convertible promissory notes and accrued interest in the amount of $89,241.

Net cash provided by financing activities was $1,319,982 for the three months ended March 31, 2021, which consisted of proceeds from the issuances of convertible promissory notes.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the dates of the balance sheets and the reported amounts of revenue and expenses during the reporting periods. In accordance with GAAP, we base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances at the time such estimates are made. Actual results may differ materially from our estimates and judgments under different assumptions or conditions. We periodically review our estimates in light of changes in circumstances, facts and experience. The effects of material revisions in estimates are reflected in our financial statements prospectively from the date of the change in estimate.

While our significant accounting policies are more fully described in the notes to our financial statements appearing elsewhere in this Report, we believe the following are the critical accounting policies used in the preparation of our financial statements that require significant estimates and judgments.

Use of Estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates in the accompanying consolidated financial statements include the estimates of useful lives for depreciation, the valuation of stock options, and the valuation of derivative liabilities.

Fair Value of Financial Instruments: Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. A fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

- Level 1 Inputs - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

- Level 2 Inputs - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means.

- Level 3 Inputs - Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity's own assumptions about the assumptions that market participants would use in pricing the assets or liabilities.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and borrowings. The fair value of current financial assets and current financial liabilities approximates their carrying value because of the short-term maturity of these financial instruments.

Income Taxes. The Company accounts for income taxes under the asset and liability method, as required by the accounting standard for income taxes, ASC 740. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, as well as net operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Stock Based Compensation. The Company accounts for the grant of restricted stock awards in accordance with ASC 718, "Compensation-Stock Compensation." ASC 718 requires companies to recognize in the statement of operations the grant-date fair value of equity-based compensation. The expense is recognized over the period during which the employee is required to provide service in exchange for the compensation. Any remaining unrecognized balance will be recognized ratably over the life of the vesting period and is a reduction of stockholders' equity.

The Company accounts for non-employee share-based awards in accordance with the measurement and recognition criteria of ASC 505-50 "Equity-Based Payments to Non-Employees."

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements, other than those disclosed below.

In August 2020, the FASB issued Accounting Standards Update ("ASU") 2020-06, *"Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815 – 40)"* ("ASU 2020-06"). ASU 2020-06 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. The ASU is part of the FASB's simplification initiative, which aims to reduce unnecessary complexity in U.S. GAAP. The ASU's amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. The Company is currently evaluating the impact ASU 2020-06 will have on its financial statements.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable for smaller reporting companies.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). As required by Rule 13a-15(b) under the Exchange Act, management of the Company, under the direction of our Board of Directors and Chief Financial Officer, reviewed and performed an evaluation of the effectiveness of design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of March 31, 2022. Based on that review and evaluation, the Board of Directors and Chief Financial Officer, along with the management of the Company, have determined that as of March 31, 2022, the disclosure controls and procedures were not effective to provide reasonable assurance that 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 were not effective to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures. Specifically, we have identified the following material weakness in our disclosure controls: (i) insufficient written policies and procedures to ensure timely filing of reports that the Company files or submits under the Exchange Act, and (ii) a lack of full-time executive management, including a lack of a full-time chief executive officer and chief financial officer, and other members of management who would otherwise oversee the Company's disclosure controls and procedures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm business.

We are not currently a party in any legal proceeding or governmental regulatory proceeding nor are we currently aware of any pending or potential legal proceeding or governmental regulatory proceeding proposed to be initiated against us that would have a material adverse effect on us or our business.

Item 1A. Risk Factors.

Not required for a Smaller Reporting Company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

In January 2022, the Company issued 360,695 shares to a service provider in respect of $129,850 of outstanding payables.

Such shares were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended, as a transaction by an issuer not involving any public offering.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

The exhibits listed below are hereby furnished to the SEC as part of this report:

10.1	Form Securities Purchase Agreement (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on February 16, 2022)
10.2	Form Convertible Promissory Note Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on February 16, 2022)
10.3	Form Common Stock Purchase Warrant Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed on February 16, 2022)
31.1*	Certification of Chief Executive Officer, pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer, pursuant to Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed 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 on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

BRAIN SCIENTIFIC INC.

Dated: May 13, 2022

By: */s/* Hassan Kotob
Name: Hassan Kotob
Title: Chief Executive Officer

By: */s/* Bonnie-Jeanne Gerety
Name: Bonnie-Jeanne Gerety
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hassan Kotob, certify that:

1. I have reviewed this report on Form 10-Q of Brain Scientific Inc.;

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 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 subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

5. The registrant's other certifying officer 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 data; and

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

Date: May 13, 2022

By:	*/s/ Hassan Kotob*
Name:	Hassan Kotob
Title:	Chief Executive Officer(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bonnie-Jeanne Gerety, certify that:

1. I have reviewed this report on Form 10-Q of Brain Scientific Inc. ;

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 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 subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

5. The registrant's other certifying officer 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 data; and

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

Date: May 13, 2022

By: */s/ Bonnie-Jeanne Gerety*
Bonnie-Jeanne Gerety
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

In connection with the Quarterly Report on Form 10-Q of Brain Scientific Inc., a Nevada corporation (the “Company”) for the period ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Hassan Kotob, Chief Executive Officer of the Company , does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) that:

(1) The Report of the Company 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.

Dated: May 13, 2022

/s/ Hassan Kotob
Hassan Kotob
Chief Executive Officer
(Principal Executive Officer)

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

EXHIBIT 32.2

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

In connection with the Quarterly Report on Form 10-Q of Brain Scientific Inc., a Nevada corporation (the "Company"), for the period ended March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Bonnie-Jeanne Gerety, Chief Financial Officer of the Company does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) that:

(1) The Report of the Company 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.

Dated: May 13, 2022

/s/ Bonnie-Jeanne Gerety
Bonnie-Jeanne Gerety
Chief Financial Officer
(Principal Financial Officer)

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