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

FORM 10-Q/A
Amendment No. 1

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

For the quarterly period ended **June 30, 2025**

or

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

For the transition period from ______________ to ______________

Commission File No. 001-39885

VERSUS SYSTEMS INC.
(Exact name of registrant as specified in its charter)

Delaware	**45-4542599**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3500 South DuPont Hwy. Dover, DE	**19901**
(Address of principal executive office)	(Zip Code)

(604) 639-4457
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value per share	VS	The Nasdaq Capital Market
Unit A Warrants	VSSYW	The Nasdaq Capital Market

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

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

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

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

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

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

As of August 12, 2025, there were 4,901,677 of the registrant's common shares outstanding.

EXPLANATORY NOTE

Versus Systems, Inc. ("the Company") is filing this Amendment No. 1 to correct an inadvertent statement in Note 1 to the interim financial statements contained in Part I, Item 1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (the "Original Filing"), which was originally filed with the Securities and Exchange Commissions on August 14, 2025. Specifically, the Company removed a sentence indicating the Company was not in compliance with certain Nasdaq listing standards. The Company was in compliance as of and throughout the periods presented. This correction does not affect any other aspect of the financial statements or the Form 10-Q.

PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

Versus Systems Inc.
Condensed Consolidated Balance Sheets (Unaudited)

	June 30, 2025 ($)	December 31, 2024 ($)
ASSETS		
Current assets		
Cash	1,682,256	3,065,914
Contract asset, net – related party	1,650,000	-
Accounts receivable, net – related party	330,000	-
Prepaids	179,977	469,646
Total current assets	3,842,233	3,535,560
Total assets	3,842,233	3,535,560
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	34,187	26,288
Total current liabilities	34,187	26,288
Total liabilities	34,187	26,288
Commitments and Contingencies (Note 7)		
Stockholders' equity		
Common stock and additional paid in capital, no par value. Unlimited authorized shares; 4,901,677 common shares and no Class A shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	150,974,494	150,587,018
Accumulated other comprehensive income	443,973	318,659
Accumulated deficit	(139,765,764)	(139,476,353)
	11,652,703	11,429,324
Non-controlling interest	(7,844,657)	(7,920,052)
Total stockholders' equity	3,808,046	3,509,272
Total liabilities, non-controlling interest and stockholders' equity	3,842,233	3,535,560

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

Versus Systems Inc.

Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	($)	($)	($)	($)
REVENUES				
Revenues	-	26,937	23,348	53,440
Revenues – related party	1,980,000	-	2,156,000	-
Cost of revenues	8,222	16,231	16,446	40,277
Gross margin	1,971,778	10,706	2,162,902	13,163
EXPENSES				
Research and development	6,219	67,203	12,368	106,615
Selling, general and administrative	1,026,758	1,443,171	2,384,494	2,907,652
Total operating expenses	1,032,977	1,510,374	2,396,862	3,014,267
Operating income (loss)	938,801	(1,499,668)	(233,960)	(3,001,104)
Other income (expense), net	3,660	(74)	19,944	(321)
Income (loss) before provision for income taxes	942,461	(1,499,742)	(214,016)	(3,001,425)
Provision for income taxes	-	-	-	-
Net income (loss)	942,461	(1,499,742)	(214,016)	(3,001,425)
Less: net income (loss) attributable to non-controlling interest	270,126	(156,197)	75,396	(329,489)
Net income (loss) attributed to Versus Systems, Inc. Shareholders	672,335	(1,343,545)	(289,412)	(2,671,936)
Per Share Data:				
Basic and diluted earnings (loss) per share to shareholders	0.14	(0.54)	(0.06)	(1.07)
Weighted average shares - basic	4,901,677	2,506,015	4,901,677	2,506,015
Diluted earnings (loss) per share to shareholders	0.14	(0.54)	(0.06)	(1.07)
Weighted average shares - diluted	4,927,369	2,506,015	4,901,677	2,506,015
Comprehensive income (loss):				
Net income (loss)	942,461	(1,499,742)	(214,016)	(3,001,425)
Other comprehensive (loss) income, net of tax				
Change in foreign currency translation, net of tax	(117,564)	121,174	(125,314)	160,865
Total comprehensive income (loss)	824,897	(1,378,568)	(339,330)	(2,840,560)
Less: comprehensive loss (income) attributable to non-controlling interest	(270,126)	156,197	(75,396)	329,489
Comprehensive income (loss) attributable to shareholders	$ 554,771	$ (1,222,371)	$ (414,726)	$ (2,511,071)

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

Versus Systems Inc.
Condensed Consolidated Statements of Changes in Equity (Unaudited)

	Number of Common Shares	Number of Class "A" Shares	Common Shares	Class "A" Shares	Additional paid in Capital	Currency translation adjustment	Accumulated deficit	Stockholders' equity	Non-controlling Interest	Total stockholders' equity
			($)	($)	($)	($)	($)	($)	($)	($)
Balance at December 31, 2024	4,901,677	-	134,075,745	-	16,511,273	318,659	(139,476,353)	11,429,324	(7,920,052)	3,509,272
Stock-based compensation	-	-	-	-	366,000	-	-	366,000	-	366,000
Cumulative translation adjustment	-	-	-	-	-	7,750	-	7,750	-	7,750
Net Loss	-	-	-	-	-	-	(961,746)	(961,746)	(194,731)	(1,156,477)
March 31, 2025	4,901,677	-	134,075,745	-	16,877,273	326,409	(140,438,099)	10,841,328	(8,114,783)	2,726,545
Stock-based compensation	-	-	-	-	21,476	-	-	21,746	-	21,746
Cumulative translation adjustment	-	-	-	-	-	117,564	-	117,564	-	117,564
Net Income	-	-	-	-	-	-	672,335	672,335	270,126	942,461
Balance at June 30, 2025	4,901,677	-	134,075,745	-	16,898,749	443,973	(139,765,764)	11,652,703	(7,844,657)	3,808,046

	Number of Common Shares	Number of Class "A" Shares	Common Shares	Class "A" Shares	Additional paid in Capital	Currency translation adjustment	Accumulated deficit	Stockholders' equity	Non-controlling Interest	Total stockholders' equity
			($)	($)	($)	($)	($)	($)	($)	($)
Balance at December 31, 2023	2,506,015	-	134,075,745	-	13,054,378	248,287	(135,434,022)	11,944,388	(7,387,547)	4,556,841
Stock-based compensation	-	-	-	-	160,865	-	-	160,865	-	160,865
Cumulative translation adjustment	-	-	-	-	-	(39,691)	-	(39,691)	-	(39,691)
Net loss	-	-	-	-	-	-	(1,328,391)	(1,328,391)	(173,292)	(1,501,683)
March 31, 2024	2,506,015	-	134,075,745	-	13,215,243	208,596	(136,762,413)	10,737,171	(7,560,839)	3,176,332
Stock-based compensation	-	-	-	-	-	-	-	-	-	-
Cumulative translation adjustment	-	-	-	-	-	121,174	-	121,174	-	121,174
Net loss	-	-	-	-	-	-	(1,343,545)	(1,343,545)	(156,197)	(1,499,742)
Balance at June 30, 2024	2,506,015	-	134,075,745	-	13,215,243	329,770	(138,105,958)	9,514,800	(7,717,036)	1,797,764

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

Versus Systems Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	($)	($)
Cash flows from operating activities		
Net loss	(214,016)	(3,001,425)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	387,476	160,865
Changes in operating assets and liabilities:		
Receivables – related party	(330,000)	7,972
Contract asset – related party	(1,650,000)	-
Prepaids	289,669	(753,184)
Deferred revenue	-	(25,718)
Accounts payable and accrued liabilities	7,899	(262,821)
Net cash used in operating activities	(1,508,972)	(3,874,311)
Effect of foreign exchange on cash	125,314	91,219
Change in cash during the period	(1,383,658)	(3,783,092)
Cash - Beginning of period	3,065,914	4,689,007
Cash - End of period	1,682,256	905,915

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Versus Systems Inc. (the Company) was continued under the Business Corporations Act (British Columbia) effective January 2, 2007. On December 24, 2024 a special resolution authorizing and approving the continuance of the Company from the Province of British Columbia in accordance with the Business Corporations Act (British Columbia) into the State of Delaware in accordance with the Delaware General Corporation Law. The Company's head office and registered and records office is located at 3500 South DuPont Highway Dover, DE 19901. The Company's common stock is traded on the NASDAQ under the symbol "VS". The Company's Unit A warrants are traded on NASDAQ under "VSSYW". All share and per share data are presented to reflect the reverse share splits on a retroactive basis.

The Company is engaged in the technology sector and has developed a proprietary prizing and promotions tool allowing game developers and creators of streaming media, live events, broadcast TV, games, apps, and other content to offer real world prizes inside their content. The ability to win prizes drives increased levels of consumer engagement creating an attractive platform for advertisers.

In June 2021, the Company completed its acquisition of multimedia, production, and interactive gaming company Xcite Interactive, a provider of online audience engagement through its owned and operated XEO technology platform. The Company partners with professional sports franchises across Major League Baseball ("MLB"), National Hockey League ("NHL"), National Basketball Association ("NBA") and the National Football League ("NFL") to drive audience engagement.

In September 2024 the Company closed down its operations within the United Kingdom, Versus Systems UK, Ltd.

Going Concern

These unaudited condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As of June 30, 2025, the Company has not achieved positive cash flow from operations and is not able to finance day to day activities through operations and as such, there is substantial doubt as to the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These condensed interim consolidated financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

Management's plans include attempting to secure additional required funding through equity or debt financing, if available, seeking to enter into a partnership or other strategic agreement regarding, or sales or out-licensing of, its technology. There can be no assurance that we will be able to obtain required funding in the future. If the Company does not obtain required funding, the Company's cash resources will be depleted in the near term and the Company would be required to materially reduce or suspend operations, which would likely have a material adverse effect on the Company's business, stock price and our relationships with third parties with whom the Company have business relationships. If the Company does not have sufficient funds to continue operations, the Company could be required to seek bankruptcy protection, dissolution or liquidation, or other alternatives that could result in the Company's stockholders losing some or all of their investment in us. The Company has implemented expense reduction measures including, without limitation, employee headcount reductions and the reduction or discontinuation of certain product development programs.

2. BASIS OF PRESENTATION

Basis of presentation

These condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and the requirements of the Securities Exchange Commission ("SEC") for interim reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP can be condensed or omitted. These condensed interim consolidated financial statements have been prepared on the same basis as the annual condensed consolidated financial statements included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 31, 2025.

In the opinion of our management, the information in these condensed interim consolidated financial statements reflects all adjustments, all of which are of a normal and recurring nature necessary for a fair statement of the financial position and results of operations for the reported interim periods. We consider events or transactions that occur after the balance sheet date but before the financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. The results of operations for interim periods are not necessarily indicative of results to be expected for the full year or any other interim period.

Significant Accounting Policies

There have been no material changes to the accounting policies discussed in Note 2 to the condensed consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 31, 2025.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of Versus Systems Inc. and its subsidiaries, from the date control was acquired. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Use of estimates

The preparation of these condensed consolidated statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated financial statements. Estimates and assumptions are continually evaluated and are based on historical experience and management's assessment of current events and other facts and circumstances that are considered to be relevant. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made. These estimates and assumptions include valuing equity securities in share-based payments and warrants.

3. SIGNIFICANT ACCOUNTING POLICIES

Basic and diluted loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting periods. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share, except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. Potentially dilutive options as of June 30, 2025 totaled 401,633 (June 30, 2024 – 15,130) and warrants excluded from diluted loss per share as of June 30, 2025 totaled 1,733,741 (June 30, 2024 – 896,645).

Share-based compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period on a straight-line basis. The Black-Scholes pricing model requires the use of subjective assumptions including the option's expected term, the volatility of the underlying stock, the fair value of the stock and the expected forfeiture rate. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of Accounting Standards Codification ASC 606, Revenue from Contracts with Customers ("ASC 606"), the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only recognizes revenue from contracts when it is probable that the entity will collect substantially all the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

The Company earns revenue in two primary ways: 1) the sales of software-as-a-service (SAAS) from its interactive production software platform or 2) development and maintenance of custom-built software or other professional services.

The Company recognizes SAAS revenues from its interactive production sales over the life of the contract as its performance obligations are satisfied. Payment terms vary by contract and can be periodic or one-time payments. The Company determines that the customer receives and consumes the benefits of the service simultaneously as the service is provided. The transaction price is allocated to the contractual performance obligations and recognized ratably over the contract term.

The Company recognizes revenues received from the development and maintenance of custom-built software and other professional services provided upon the satisfaction of its performance obligation in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Performance obligations can be satisfied either at a single point in time or over time. For those performance obligations that are satisfied at a single point in time, the revenue is recognized at that time. For each performance obligation satisfied over time, the Company recognizes revenue by measuring the progress toward complete satisfaction of that performance obligation. The Company generally measures progress comparing hours incurred to total estimated hours.

For revenues received from the sales of advertising, the Company is deemed the agent in its revenue agreements. The Company does not own or obtain control of the digital advertising inventory. The Company recognizes revenues upon the achievement of agreed-upon performance criteria for the advertising inventory, such as a number of views, or clicks. As the Company is acting as an agent in the transaction, the Company recognizes revenue from sales of advertising on a net basis, which excludes amounts payable to partners under the Company's revenue sharing agreements.

The Company's contracts with customers may include promises to transfer multiple products and services. For these contracts, the Company accounts for individual performance obligations separately if they are capable of being distinct and distinct within the context of the contract. Determining whether products and services are considered distinct performance obligations may require significant judgment. Judgment is also required to determine the stand-alone selling price, for each distinct performance obligation.

During the six months ended June 30, 2025 the Company recognized $176,000 attributed to professional services. No revenue was recognized attributed to professional services for the three months ended June 30, 2025.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

License Revenue – Related Party

On April 30, 2025, pursuant to the Technology License and Software Development Agreement (the “License Agreement”) with ASPIS Cyber Technologies, Inc. (“ASPIS”), the Company delivered a functional license for its gamification, engagement, and QR code technology. ASPIS is an affiliate of the Company’s largest shareholder—Cronus Equity Capital Group, LLC (“CECG”)—which holds approximately 20.20% of the outstanding common shares of the Company as of June 30, 2025.

Under the License Agreement, as amended by the first amendment executed on January 15, 2025, the monthly license fees of $165,000 were due and payable commencing on April 30, 2025 and on the 5^{th} of each subsequent month thereafter for the initial term and subsequent terms of renewal.

Under the License Agreement, as amended by a side letter executed on August 11, 2025, the Initial Term is non-cancellable for twelve (12) months commencing April 30, 2025, with monthly license fees of $165,000 payable regardless of use. ASPIS will pay for any required technology modifications, improvements, and developments to Versus’ technology in addition to the license fee. The Company retains ownership of the technology, and ASPIS holds an exclusive license to use it in the cybersecurity industry so long as ASPIS continues to pay the monthly license fee.

Since the license is a functional license and the performance obligation was satisfied upon delivery on April 30, 2025, the Company recognized the entire transaction price of $1,980,000 as revenue in the quarter ended June 30, 2025. Of this amount, $330,000 was billed and recorded as accounts receivable – related party, representing two months of license fees, and $1,650,000 was recorded as a contract asset – related party for the unbilled portion of the non-cancellable term. The unbilled amounts will be invoiced and collected over the remaining term in accordance with the contract’s billing schedule.

Accounts Receivable, net – Related Party

Accounts receivable are typically unsecured and are derived from revenue earned from customers. They are stated at invoice value less estimated allowances for credit losses. The Company performs ongoing credit evaluations of its customers to determine allowances for potential credit losses and doubtful accounts. As of June 30, 2025, the Company’s receivable balance of $330,000 was attributed to ASPIS and represented two months of license payments at $165,000 per month. No allowance for credit losses was recorded as of June 30, 2025 and December 31, 2024.

Contract Assets – Related Party

Contract assets arise when the Company has earned revenue on a contract with a customer prior to billing. As of June 30, 2025, contract assets related to ASPIS totaled $1,650,000, representing the unbilled portion of the twelve-month non-cancellable Initial Term under the License Agreement. Contract assets are recorded on the Company’s consolidated balance sheets net of an allowance for credit losses.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent accounting pronouncements not yet adopted

New accounting pronouncements

In November 2024, the FASB issued ASU No. 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (“Subtopic 220-40”). This ASU improves financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to the condensed consolidated financial statements at interim and annual reporting periods. This ASU will be effective for annual periods beginning after December 15, 2026, for interim reporting periods beginning after December 15, 2027, with early adoption is permitted. We are evaluating the potential impact of this guidance on our condensed consolidated financial statements and related disclosures.

Recent adopted accounting pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (“Topic 740”): Improvements to Income Tax Disclosures. This ASU enhances the transparency and decision usefulness of income tax disclosures. It is designed to provide more detailed information about an entity’s income tax expenses, liabilities, and deferred tax items, potentially affecting how companies report and disclose their income tax-related information. The ASU is effective for public business entities for annual periods beginning after December 15, 2024, including interim periods within those fiscal years. The adoption of the guidance in the second quarter of 2025 did not have a material impact on our condensed consolidated financial statements and related disclosures.

Management does not believe any other recently issued but not yet effective accounting pronouncement, if adopted, would have a material effect on the Company’s present or future condensed consolidated financial statements.

4. NON-CONTROLLING INTEREST IN VERSUS LLC

The Company holds an 81.9% ownership interest in Versus LLC, a privately held limited liability company organized under the laws of the state of Nevada. The Company consolidates Versus LLC as a result of having full control over the voting shares. Versus LLC is a technology company that is developing a business-to-business software platform that allows video game publishers and developers to offer prize-based matches of their games to their players.

The net income (loss) for Versus, LLC for the three-month periods ended June 30, 2025 and 2024 was $1,492,412 and $(862,967), respectively. The net income (loss) attributable to the non-controlling interest for the three month periods ended June 30, 2025 and 2024 was $270,126 and $(156,197), respectively. The net income (loss) for Versus, LLC for the six month periods ended June 30, 2025 and 2024 was $416,551 and $(1,820,382), respectively. The net income (loss) attributable to the non-controlling interest for the six month periods ended June 30, 2025 and 2024 was $75,396 and $(329,489), respectively.

The following table presents summarized financial information before intragroup eliminations for the non-wholly owned subsidiary as of June 30, 2025 and December 31, 2024, respectively.

	June 30, 2025	December 31, 2024
Non-controlling interest percentage	**18.1%**	**18.1%**
	($)	**($)**
Assets		
Current	3,759,869	3,310,563
Non-current	-	-
	3,759,869	**3,310,563**
Liabilities		
Current	34,187	2,062
Non-current	45,877,726	45,533,471
	45,911,913	**45,535,533**
Net liabilities	**(42,152,044)**	**(42,224,970)**
Non-controlling interest	**(7,844,657)**	**(7,920,052)**

5. SHARE CAPITAL

a) Authorized share capital

The Company is authorized to issue an unlimited number of common stock. The Company had 4,901,677 shares of common stock outstanding as of June 30, 2025 and December 31, 2024.

b) Issued share capital

During the six month periods ended June 30, 2025 and 2024, the Company did not issue share capital.

c) Stock options

The Company may grant incentive stock options to its officers, directors, employees, and consultants. The Company has implemented a rolling Stock Option Plan (the "Plan") whereby the Company can issue up to 10% of the issued and outstanding common shares of the Company. Options have a maximum term of ten years and vesting is determined by the Board of Directors.

A continuity schedule of outstanding stock options is as follows:

	Number Outstanding	Weighted Average Exercise Price ($)
Balance – December 31, 2024	2,555	64.99
Granted	399,078	2.18
Exercised	-	-
Forfeited	-	-
Balance – June 30, 2025	401,633	2.58
Vested and exercisable	250,383	2.82

For the three months ended June 30, 2025 and 2024 the Company recorded share-based compensation of $21,476 and none, respectively. For the six months ended June 30, 2025 and 2024 the Company recorded share-based compensation of $387,476 and $160,865, respectively, relating to options vested during the period. The remaining share-based compensation to be recognized is over the vesting term of the unvested options is $235,843 as of June 30, 2025. The remaining expense is expected to be recognized over a weighted-average period of approximately 2.75 years.

The fair value of the options granted during the six months ended June 30, 2025 was $1.56 per share. No options were granted during the six months ended June 30, 2024.

The intrinsic value represents the difference between the fair market value of the Company's common stock on the date of exercise and the exercise price of each option. Based on the fair market value of the Company's common stock at June 30, 2025 the total intrinsic value of all outstanding options was $59,900.

The Company used the following assumptions in calculating the fair value of stock options for the period ended:

	June 30, 2025	June 30, 2024
Risk-free interest rate	4.03%	3.93%
Expected life of options	5 years	3.38 years
Expected dividend yield	Nil	Nil
Volatility	98.83%	132.65%

5. SHARE CAPITAL (continued)

d) Share purchase warrants

During the year ended December 31, 2024, the Company:

i) Issued 1,077,586 common stock warrants in conjunction with the conversion of the Senior Note issuance, with an exercise price of $4.00 per share.

At June 30, 2025, the Company had share purchase warrants outstanding as follows:

Expiration Date	Warrants Outstanding	Exercise Price	Weighted Average Remaining Life
		($)	(years)
January 20, 2026[1]	7,030	1,800.00	0.58
February 28, 2027	20,689	460.80	1.57
December 6, 2027	13,781	20.00	2.32
December 9, 2027	9,876	17.60	2.32
January 18, 2028	25,906	124.80	2.58
February 2, 2028	10,938	14.40	2.58
October 17, 2028	543,468	3.68	3.08
October 17, 2028	24,457	4.05	3.08
December 24, 2029	1,077,586	4.00	4.17
	1,733,741	18.71	3.71

(1) Unit A warrant balance is 7,030 as of June 30, 2025.

6. SEGMENT REPORTING

Our chief operating decision maker (“CODM”), the Chief Executive Officer, manages the Company’s business activities as a single operating and reportable segment at the consolidated level. Accordingly, our CODM uses consolidated net loss to measure segment profit or loss, allocate resources and assess performance. Further, the CODM reviews and utilizes functional expenses (cost of revenues, research and development, and general and administrative) at the consolidated level to manage the Company’s operations. Other segment items included in consolidated net loss are interest income, other expense, net and the provision for income taxes, which are reflected in the consolidated statements of operations and comprehensive loss. The measure of segment assets is reported on the consolidated balance sheet as total assets.

7. COMMITMENTS AND CONTINGENCIES

From time to time the Company may become involved in other legal proceedings or be subject to claims arising in the ordinary course of business. Although the results of ordinary course litigation and claims cannot be predicted with certainty, the Company currently believes that the final outcome of these ordinary course matters will not have a material adverse effect on its business, financial condition, results of operations or cash flows. Regardless of the outcome, litigation can have an adverse impact because of defense and settlement costs, diversion of management resources and other factors.

8. **SUBSEQUENT EVENTS**

The Company has evaluated subsequent events after the balance sheet date of June 30, 2025 through August 14, 2025, the date the condensed consolidated financial statements were issued. Based upon its evaluation, management has determined that no subsequent events have occurred that would require recognition in the accompanying condensed consolidated financial statements or disclosure in the notes thereto.

PART II

Item 6. Exhibits

The following documents are filed as a part of this report or incorporated herein by reference:

Exhibit Number	Description
31.1	Certification of the Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certifications of the 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	Certifications of the 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).

SIGNATURES

Pursuant to the requirements of Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VERSUS SYSTEMS INC.

Date: August 14, 2025

/s/ Luis Goldner
Luis Goldner
Chief Executive Officer
(Principal Executive Officer)

Date: August 14, 2025

/s/ Geoff Deller
Geoff Deller
Chief Financial Officer
(Principal Financial and
Accounting Officer)

Exhibit 31.1

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

I, Luis Goldner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Versus Systems Inc.;

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

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

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

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

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

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

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

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

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

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

Date: August 14, 2025

By: /s/ Luis Goldner
Name: Luis Goldner
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Geoff Deller, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Versus Systems Inc.;

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

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

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

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

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

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

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

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

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

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

Date: August 14, 2025

By: /s/ Geoff Deller

Name: Geoff Deller
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

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

I, Luis Goldner, Chief Executive Officer of Versus Systems Inc., do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q/A of Versus Systems Inc. for the three-month period ended June 30, 2025 (the “Report”) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Versus Systems Inc.

Date: August 14, 2025

By: /s/ Luis Goldner
Name: Luis Goldner
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

I, Geoff Deller, Chief Financial Officer of Versus Systems Inc., do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q/A of Versus Systems Inc. for the three-month period ended June 30, 2025 (the "Report") fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Versus Systems Inc.

Date: August 14, 2025

By: /s/ Geoff Deller
Name: Geoff Deller
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)