Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Helo Corp.
180 Steuart Street #192750, San Francisco, CA 94119

(650) 646 -2193
www.helocorp.com
info@helocorp.com
SIC Code 3571

Annual Report

For the period ending December 31, 2023 (the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

86,752,302 as of December 31, 2023. *(Current Reporting Period Date or More Recent Date)*

86,752,302 as of December 31, 2022. *(Most Recent Completed Fiscal Year End)*

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control
Indicate by check mark whether a Change in Control[1] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[1] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and any names used by predecessor entities, along with the dates of the name changes.

Helo Corp. (October 31, 2018 – present)
World Technology Corp. (November 30, 2017 – October 30, 2018)
World Media & Technology Corp. (December 1, 2014 – November 29, 2017)
Halton Universal Brands, Inc. (October 22, 2010 – November 30, 2014)

Current State and Date of Incorporation or Registration: Incorporated on October 22, 2010 in the State of Nevada
Standing in this jurisdiction: (e.g. active, default, inactive): Currently active and in good standing in Nevada

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On September 27, 2022, we announced the following strategic restructuring initiatives:

- Continue to expand product portfolio by adding Helo-branded devices and services.
- Launch an affiliate-based customer acquisition business model and international e-commerce platform.
- Discontinue our network marketing operations globally and significantly reduce related headcount and occupancy.
- Contribute to the development of a blockchain-based decentralized health data platform designed to enable customers to own, control and monetize their personal health data.

In connection with these strategic restructuring initiatives, we:

- Formed a wholly-owned subsidiary in Ireland, Helo Health Ltd. in September 2022;
- Changed the names of Vyvo Technology HK Ltd. to Helo Technology HK Ltd. and Shenzhen Vyvo Information Technology Co Ltd. to Helo Technology (Shenzhen) Co., Ltd. in March 2023;
- Sold Vyvo related trademarks and domain names in May 2023;
- Dissolved Vyvo Inc. in July 2023;
- Acquired a wholly-owned subsidiary in Ireland, Helo IP Ltd. in December 2023;
- Sold all remaining Vyvo-branded inventory in Q4 2023; and
- Entered into an agreement to sell all of the outstanding shares of Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte. Ltd.) in April 2024.

Address of the issuer's principal executive office:

180 Steuart Street #192750, San Francisco, CA 94119 USA

Address of the issuer's principal place of business:
☐ *Check if principal executive office and principal place of business are the same address:*

13 Classon House, Dundrum, Dublin 14 W9Y3, Ireland

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: ClearTrust, LLC
Phone: (813) 235-4490
Email: inbox@cleartrusttransfer.com
Address: 16540 Pointe Village Drive Suite 205, Lutz, Florida 33558

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol: HLOC
Exact title and class of securities outstanding: Common Stock
CUSIP: 42349A 109
Par or stated value: $0.001
Total shares authorized: 400,000,000 as of date:December 31, 2023
Total shares outstanding: 86,752,302 as of date:December 31, 2023
Total number of shareholders of record: 14,579 as of date: December 31, 2023

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer:

None

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of securities outstanding: Series A Super Voting Preferred Stock
CUSIP: n/a
Par or stated value: $0.001
Total shares authorized: 100 as of date: December 31, 2023
Total shares outstanding (if applicable): 100 as of date: December 31, 2023
Total number of shareholders of record (if applicable): 3 as of date: December 31, 2023

Exact title and class of securities outstanding: Series B Convertible Preferred Stock
CUSIP: n/a
Par or stated value: $0.001
Total shares authorized: 2,000,000 as of date: December 31, 2023
Total shares outstanding (if applicable): 2,000,000 as of date: December 31, 2023
Total number of shareholders of record (if applicable): 3 as of date: December 31, 2023

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

   - Entitled to one vote for each share of Common Stock

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

   Series A Super Voting Preferred Stock:

   - Not convertible
   - Entitled to vote with the common shares as a single class at a super voting ratio of 1:1,000,000
   - Not entitled to receive dividends paid on our common stock
   - No liquidation preference

   Series B Convertible Preferred Stock:
   - Convertible at any time into common stock at a ratio of 1:100
   - Not entitled to vote
   - Not entitled to receive dividends paid on our common stock
   - No liquidation preference

3. **Describe any other material rights of common or preferred stockholders.**

   None

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

   None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued ($/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance: Date: January 1, 2022 Common: 86,713,622 Preferred A: 100 Preferred B: 2,000,000			*Right-click the rows below and select "Insert" to add rows as needed.						
12/31/22	Issuance	38,680	Common	$0.001	No	20 Vyvo Network PLC shareholders	Share Swap	Restricted	N/A
Shares Outstanding on Date of This Report: Ending Balance: Date: December 31, 2023 Common: 86,752,302 Preferred A: 100 Preferred B: 2,000,000									

Example: A company with a fiscal year end of December 31st 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

*****Control persons for any entities in the table above must be disclosed in the table or in a footnote here.**

Use the space below to provide any additional details, including footnotes to the table above:

______

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

No: ☒ Yes: ☐ (If yes, you must complete the table below)

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
(Ensure that these descriptions are updated on the Company's Profile on www.otcmarkets.com).

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

For information regarding the Company's current business operations, see Note 1 to Consolidated Financial Statements accompanying this Disclosure Statement and incorporated herein by reference.

B. List any subsidiaries, parent company, or affiliated companies.

Helo Health Ltd., Ireland
Helo IP Ltd., Ireland
Helo Technology HK Ltd. (fka Vyvo Technology HK Ltd.), Hong Kong
Helo Technology (Shenzhen) Co. Ltd. (fka Shenzhen Vyvo Information Technology Co Ltd.), Mainland China

Although the following subsidiaries were wholly-owned by the Company as of December 31, 2023, the Company subsequently agreed to sell the entities:

Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Ireland
Vyvo Technology Corp., California, USA
Vyvo Network Japan KK, Japan
Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte Ltd.), Singapore

C. Describe the issuers' principal products or services.

For information regarding the Company's principal products and services, see Note 1 to Consolidated Financial Statements accompanying this Disclosure Statement and incorporated herein by reference.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company subleases mailing and other facilities for its operations on a month-to-month basis. The Company's address is 180 Steuart Street #192750, San Francisco, CA 94119.

Helo Corp. guaranteed a 48-month lease by its subsidiary, commencing February 2021, for 3,454 square feet of office space in Doral, Florida, USA. The space was occupied by the subsidiary through March 2022. In February 2023, this lease was assigned to Helo Corp. In November 2023, we agreed to terminate this lease.

Helo Corp. entered into a 54-month lease, commencing March 2022, for 9,596 square feet of office space in Lehi, Utah, USA. This space was occupied by our sales and marketing team through September 2022. In October 2022, Helo Corp. subleased the entire space to a third party on substantially the same terms as the original lease.

In April 2023, Vyvo Network Japan KK entered into a lease for 11 square meters of office space in Tokyo, Japan, which we may terminate with 30-days' notice. In March 2024, Vyvo Network Japan KK extended this month-to-month lease agreement for up to six months from April 2024 to October 2024.

In February 2018, Helo Corp., known at the time as World Technology Corp., entered into an agreement for technology hosting services with a third party. This agreement expired and Helo Corp.'s continuing agreement for hosting services with the same supplier is currently on a month-to-month basis.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Names of All Officers, Directors and Control Persons	**Affiliation with Company (e.g. Officer Title /Director/Owner 5% or more)**	**Residential Address (City / State Only)**	**Number of shares owned**	**Share type/class**	**Ownership Percentage of Class Outstanding**	**Names of control person(s) if a corporate entity**
Sean McVeigh	Chairman, CEO, President	Dublin, Ireland	3,731,244 16 320,000	Common Pref A Pref B	4.3% 16% 16%	Includes 2,600,501 Common shares held by Anch Holdings Ltd., which is controlled by Mr. McVeigh
Alessandro Senatore	Director	Singapore, Singapore	7,814,125 32 640,000	Common Pref A Pref B	9.0% 32% 32%	Includes 13,750 Common shares held by Mr. Senatore's wife
Fabio Galdi	CVO	Miami, Florida, USA	17,719,673 52 1,040,000	Common Pref A Pref B	20.4% 52% 52%	Includes 14,945,953 Common shares held by Vanilla Sky Pte Ltd, which is controlled by Fabio Galdi
David Ufheil	CFO	Maple Grove, Minnesota, USA	0	Common	0%	
Kevin Fuller	CMO	Alpine, Utah, USA	0	Common	0%	
Clayton Jones	CLO	Lindon, Utah, USA	0	Common	0%	
Alfonso Galdi	Control Person	Singapore, Singapore	8,174,233	Common	9.4%	Includes 103,750 Common shares held by family members in Alfonso Galdi's household

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years, been the subject of:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

   None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

   None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

   None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

   None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

   None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

   None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

   For information regarding material pending legal proceedings, see Note 7 to Consolidated Financial Statements accompanying this Disclosure Statement and incorporated herein by reference.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: Clayton Jones
Firm: Helo Corp.
Address 1: 180 Steuart Street #192750
Address 2: San Francisco, CA 94119
Phone: (650) 646 -2193
Email: c.jones@helocorp.com

Accountant or Auditor

Name: Casey G. Kinchen, CPA
Firm: M&K CPAs, PLLC
Address 1: 363 N. Sam Houston Parkway E. Suite 650
Address 2: Houston, TX 77060
Phone: 832-242-9950
Email: ckinchen@mkacpas.com

Investor Relations

None

All other means of Investor Communication:

None

Other Service Providers
Provide the name of any other service provider(s) that assisted, advised, prepared, or provided information with respect to this disclosure statement. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

None

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: David Ufheil
Title: Chief Financial Officer
Relationship to Issuer: Consultant

A. The following financial statements were prepared in accordance with:
☐ IFRS
☒ U.S. GAAP

B. The following financial statements were prepared by (name of individual):

Name: David Ufheil
Title: Chief Financial Officer
Relationship to Issuer: Consultant
Describe the qualifications of the person or persons who prepared the financial statements: Mr. Ufheil holds an active CPA license in the state of Minnesota, has consulted on the application of US GAAP and financial reporting for over 30 years, and is CFO of another privately-held company which prepares US GAAP financial statements.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

<u>Financial Statement Requirements</u>:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Sean McVeigh certify that:

1. I have reviewed this Disclosure Statement for Helo Corp.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 24, 2024 [Date]

/s/ Sean McVeigh [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, David Ufheil certify that:

1. I have reviewed this Disclosure Statement for Helo Corp.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 24, 2024 [Date]

/s/ David Ufheil [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Index to Consolidated Financial Statements

HELO CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET - UNAUDITED

ASSETS		December 31, 2023		December 31, 2022
Current assets:				
Cash and cash equivalents	$	58,863	$	4,000,196
Accounts receivable		3,172,958		21,996
Inventory		1,607,966		101,720
Investments		208,131		208,131
Prepaid expenses and other current assets		5,676,384		4,366,979
Current assets, discontinued operations		1,444,943		9,022,894
Total current assets		12,169,245		17,721,916
Fixed assets, net		267,630		120,181
Right of use asset		730,130		986,996
Intangible asset - cryptocurrency		15,195,000		-
Non-current assets, discontinued operations		97,250		984,186
TOTAL ASSETS	$	28,459,255	$	19,813,279
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Contract liability	$	959,738	$	890,283
Accounts payable and accrued expenses		1,439,952		2,177,681
Lease liability – current portion		508,116		259,159
Current liabilities, discontinued operations		3,024,670		5,546,314
Total current liabilities		5,932,476		8,873,437
Lease liability, net of current maturities		271,914		780,030
Deferred tax liability		3,190,950		-
Non-current liabilities, discontinued operations		-		18,537
TOTAL LIABILITIES		9,395,340		9,672,004
Stockholders' equity (deficit):				
Series A Preferred stock, $0.001 par value; 100 shares authorized, issued and outstanding		-		-
Series B Preferred stock, $0.001 par value; 2,000,000 shares authorized, issued and outstanding		2,000		2,000
Common stock, $0.001 par value; 400,000,000 shares authorized, 86,752,302 issued and outstanding		86,752		86,752
Additional paid-in capital		9,690,523		9,690,523
Accumulated other comprehensive income (loss)		898,206		739,997
Accumulated deficit / retained earnings		8,386,434		(377,997)
Total stockholders' equity		19,063,915		10,141,275
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	28,459,255	$	19,813,279

The accompanying notes are in integral part of the unaudited consolidated financial statements.

HELO CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED

	For the Years Ended December 31,	
	2023	2022
Product revenue	$ 4,553,764	$ 1,221
Cost of goods sold	1,658,116	441
Gross profit	2,895,648	780
Operating expenses:		
Management fees - related party	346,977	513,000
Selling, including commissions	895,046	-
General and administrative	4,246,138	3,308,569
Research and development	-	-
Total operating expenses	5,488,161	3,821,569
Operating loss	(2,592,513)	(3,820,789)
Other income (expense):		
Gain on disposal of fixed asset	998,952	-
Change in fair value of cryptocurrency	15,195,000	-
Interest income	351	2,920
Income (loss) from continuing operations before income taxes	13,601,790	(3,817,869)
Provision for income taxes	3,195,781	-
Net income (loss) from continuing operations	10,406,009	(3,817,869)
Income (loss) from discontinued operations, net of tax	(1,622,574)	3,354,138
Net income (loss)	$ 8,783,435	$ (463,731)
Comprehensive income (loss):		
Foreign currency translation adjustments	158,209	(3,585)
Total comprehensive income (loss)	$ 8,941,644	$ (467,316)
Net income (loss) per share - basic:		
Income (loss) from continuing operations	$ 0.12	$ (0.04)
Income (loss) from discontinued operations	(0.02)	0.04
Total net income (loss) per share	$ 0.10	$ -
Net income (loss) per share - diluted:		
Income (loss) from continuing operations	$ 0.04	$ (0.01)
Income (loss) from discontinued operations	(0.01)	0.01
Total net income (loss) per share	$ 0.03	$ -
Weighted average shares outstanding:		
Basic	86,752,302	86,752,302
Diluted	286,752,302	286,752,302

The accompanying notes are in integral part of the unaudited consolidated financial statements.

HELO CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY - UNAUDITED

	Common stock		Series A Preferred stock		Series B Preferred stock					
	Shares	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Additional paid-in capital**	**Accumulated other comprehesive income (loss)**	**Retained earnings/ accumulated deficit**	**Total stockholders' equity**
Balances - January 1, 2022	86,713,622	$ 86,714	100	$ -	2,000,000	$ 2,000	$ 9,206,111	$ 743,582	$ 89,319	$ 10,127,726
Stock-based compensation	-	-	-	-	-	-	484,450	-	-	484,450
Issuance of equity	38,680	38	-	-	-	-	(38)	-	-	-
Foreign currency translation	-	-	-	-	-	-	-	(3,585)	-	(3,585)
Net loss	-	-	-	-	-	-	-	-	(467,316)	(467,316)
Balances - Decemeber 31, 2022	86,752,302	$ 86,752	100	$ -	2,000,000	$ 2,000	$ 9,690,523	$ 739,997	$ (377,997)	$ 10,141,275
Foreign currency translation	-	-	-	-	-	-	-	158,209	-	
Net income	-	-	-	-	-	-	-	-	8,783,435	8,783,435
Balances – December 31, 2023	86,752,302	$ 86,752	100	$ -	2,000,000	$ 2,000	$ 9,690,523	$ 898,206	$ 8,386,434	$ 19,063,915

The accompanying notes are in integral part of the unaudited consolidated financial statements.

HELO CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS- UNAUDITED

	Years Ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	$ 8,783,435	$ (463,731)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization expense	150,311	494,477
Gain on sale of fixed assets	(998,952)	-
Unrealized (gain)/loss on foreign currency	314,646	(1,624,068)
Stock-based compensation	-	484,450
Non-cash operating lease impact	(70,569)	120,467
Change in fair value of cryptocurrency	(15,195,000)	-
Change in operating assets and liabilities:		
(Increase)/Decrease in accounts receivable	(1,837,714)	2,818,336
(Increase)/Decrease in inventory	1,099,825	(2,033,268)
Increase in prepaid expenses and other current assets	(698,518)	(4,141,424)
Increase in due from related parties	(42,844)	(36,229)
Decrease in contract liabilities	(484,639)	(3,326,947)
Increase/(Decrease) in accounts payable and accrued expenses	(1,205,960)	3,086,243
Decrease in other current liabilities	(1,764,982)	(6,316,501)
Net cash used in operating activities	(8,760,011)	(10,938,196)
Cash flows from investing activities:		
Expenditures on fixed assets	(181,921)	(667,829)
Acquisition of investments	-	(208,131)
Net cash used in investing activities	(181,921)	(875,960)
Net change in cash and cash equivalents	(8,941,932)	(11,814,156)
Effect of foreign exchange rates on cash and cash equivalents	460,483	116,779
Cash and cash equivalents, beginning of year	8,767,893	20,465,270
Cash and cash equivalents, end of year	$ 286,444	$ 8,767,893
Supplemental disclosure of cash flow information:		
Cash received (paid) for income taxes	$ 8,842	$ (1,076,796)
Cash received (paid) for interest	$ (1,427)	$ 2,544
Supplemental disclosure of non-cash information:		
Acquisition of leased assets with lease liabilities	$ -	$ 1,176,973
Intangibles exchanged for prepaid assets	1,000,000	-

The accompanying notes are in integral part of the unaudited consolidated financial statements.

Note 1. Organization and Business

History

Helo Corp. (referred to herein as "we," "us," "our" or "Helo") was incorporated in the State of Nevada on October 22, 2010, under the name Halton Universal Brands, Inc. ("Halton"). Halton was originally a brokerage, consulting and marketing firm. On October 31, 2018, we changed our name to Helo Corp., with ticker symbol HLOC, to better reflect and support our new business strategy.

In 2019, we formed two wholly-owned subsidiaries, in Ireland, Vyvo Smart Ltd. and in California, Vyvo Technology Corp. and its branch in Italy, which started operating in 2020. In 2020, we established a wholly-owned holding company subsidiary in Hong Kong, Helo Technology HK Ltd. (fka Vyvo Technology HK Ltd.), and its wholly-owned subsidiary in Mainland China, Helo Technology (Shenzhen) Co. Ltd. (fka Shenzhen Vyvo Information Technology Co Ltd.); and a wholly-owned subsidiary, Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte Ltd.) in Singapore and its branch in Taiwan. In 2021, we established a wholly-owned subsidiary in Japan, Vyvo Network Japan KK. In 2022, we dissolved our wholly-owned subsidiary in the United Kingdom, Vyvo Network PLC.

In connection with strategic restructuring initiatives announced in September 2022, we:

- Formed a wholly-owned subsidiary in Ireland, Helo Health Ltd. in September 2022;
- Changed the names of Vyvo Technology HK Ltd. to Helo Technology HK Ltd. and Shenzhen Vyvo Information Technology Co Ltd. to Helo Technology (Shenzhen) Co., Ltd. in March 2023;
- Sold Vyvo related trademarks and URLs in May 2023;
- Dissolved Vyvo Inc. in July 2023; and
- Acquired a wholly-owned subsidiary in Ireland, Helo IP Ltd. in December 2023;
- Sold all remaining Vyvo-branded inventory in Q4 2023; and
- Entered into an agreement to sell all of the outstanding shares of Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte. Ltd.) in April 2024.

Business

We are a data-driven wellness technology company. Helo® wearables and other smart devices are built on Helo's Life Sensing Technology®, which uses state-of-the-art sensors, enhanced signal processing, and algorithms to collect and process specific bio-parameters. Helo is developing the NutraMatic™ and Helo AI™ platform to leverage artificial intelligence and other technologies to analyze wearer data, provide personalized nutrition and recommendations, support the adoption of healthier lifestyle choices and drive human wellness transformation.

Over the past decade, we have developed and launched a variety of technology products and services, which have been distributed through multiple channels. Beginning in 2019, we developed and launched a range of smart watches, smart scales and other wellness related products and services. These products are manufactured by independent third-party manufacturers on an order-by-order basis.

In January 2021, we entered into a Stock Purchase Agreement ("SPA") to acquire Vyvo Inc., a Delaware company, and its United Kingdom subsidiary, Vyvo Network PLC, in exchange for 50,007,080 of our common stock, 2,000,000 shares of our Series B Convertible Preferred Stock, 100 shares of our Series A Super Voting Preferred Stock and debt forgiveness amounting to $1,785,819 (the "Acquisition"). In connection with the Acquisition, we acquired strategic assets, which included patents, technologies and operational assets and specifically NutraMatic™, GlucoStrap™, artificial intelligence ("AI") protocols and machine learning processes, and Vyvo Network software and specific liabilities in the form of customer loyalty points. Prior to the transaction, Fabio Galdi indirectly owned 77.4% of the voting shares of Vyvo Inc. and had voting power of 52% of our common stock through an irrevocable Voting Agreement effective December 1, 2020 through the end of June 2021. The entities acquired were under common control and thus any net assets received were accounted for at historical cost.

In the fourth quarter of 2022, we began implementing strategic restructuring initiatives intended to refocus Helo as a wellness technology company, which sells our products through a global ecommerce platform. In connection with these strategic restructuring initiatives, we began discontinuing our network marketing distribution channel and significantly reduced related headcount and occupancy globally. As noted above, we also made certain changes to our subsidiaries.

In October 2022, we introduced our BioSense health band™. Helo® BioSense™ devices sold from the start of 2023 include a Proof-of-Sensing™ chip allowing data collected by each device to be digitally signed, providing a secure chain of data validation and enabling efficient wearable device data monitization.

In December 2022, we commenced selling our products and services through a new ecommerce website via our wholly-owned subsidiary, Helo Health Ltd. To incentivize sales, we pay an affiliate fee to third-party sales affiliates for origination of sales through the Helo Health website. Our first affiliate is InPersona Pte Ltd., a Singapore based HealthFi company that monetizes Helo® wearable device data and uses NFC chips embedded in Helo® devices to allow its customers to spend the funds generated by monetizing their wearable data.

In August 2023, we introduced our NutraLife AI™ mobile app and BioStrip™ product, an at-home personal urine test, that together provide users with AI-informed personalized wellness guidance.

In November 2023, we announced the introduction of Helo's AI platform and NutraMatic™ device. Helo's AI platform is an easy-to-use consumer platform designed to support wellness improvement and provide easy-to-follow, AI-generated, and app-delivered personalized wellness recommendations based on individual user biodata. NutraMatic is a countertop device, designed to provide users with their AI-optimized and personalized combination of nutrition supplements, based on their current biodata status.

As a subsequent event, in March 2024, the SpO2 feature of our LifeWatch™ was cleared for marketing through the 510(k) process with the US Food and Drug Administration.

Discontinued Operations

In connection with the strategic restructuring initiatives announced in September 2022, we considered various alternatives with respect to our subsidiaries that focus on Vyvo-branded products. In April 2024, we entered into an agreement to sell all of the outstanding equity of these Vyvo-focused subsidiaries. With this agreement, we believe that we have met the criteria for discontinued operations classification for our Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte. Ltd.) subsidiaries along with their branches in Taiwan and Italy. As such, the consolidated balance sheets and consolidated statements of operations and cash flows reflect those entities as discontinued operations. For additional information regarding the discontinued operations, please see Note 13.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation and Principals of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), and include the accounts of Helo and our wholly-owned subsidiaries, Helo Health Ltd., Helo Technology HK Ltd. (fka Vyvo Technology HK Ltd.), Helo Technology (Shenzhen) Co., Ltd. (fka Shenzhen Vyvo Information Technology Co Ltd.), Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Inc., Delaware, Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte Ltd.). All intercompany balances and transactions are eliminated. In the opinion of management, all adjustments, consisting of normal recurring adjustments considered necessary for a fair presentation of the consolidated financial statements have been included.

Use of Estimates and Assumptions

The preparation of the consolidated financial statements in conformity with US 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. Estimates are adjusted to reflect actual experience when necessary. Significant accounting estimates reflected in our consolidated financial statements include revenue recognition, commissions, and the valuation allowance for deferred income taxes.

Since the use of estimates is an integral component of the financial reporting process, actual results could differ from those estimates.

Concentration of Credit and Business Risk

We maintain our cash accounts at commercial banks located in various countries, including the United States of America, Ireland and several countries in Asia. In the United States, the FDIC insures $250,000 per bank for the total of all depository accounts. We perform ongoing evaluations of our financial institutions to limit our concentration of risk exposure. Management believes this risk is not significant due to the financial strength of the institutions utilized by us.

During the year ended December 31, 2022, there were no customer concentrations from revenue recognized. During the year ended December 31, 2023, one of our sales affiliate customers, InPersona Pte Ltd., accounted for 70% of our revenues. InPersona Pte Ltd. is a related party – see Note 6.

During the years ended December 31, 2023 and 2022, substantially all of our product purchases were from three vendors.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and other highly liquid investments, which are unrestricted as to withdrawal or use, and which have maturities of three months or less when purchased.

Fair Value Measurements

We follow the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*, which clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1 Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2 Inputs, other than quoted prices in Level 1, that are observable for the asset or liability in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3 Unobservable inputs that reflect management's assumptions based on the best available information.

Level 1 inputs are used in the valuation of our cryptocurrency intangible asset. The change in level 1 assets measured at fair value on a recurring basis is summarized as follows:

	Intangible asset - cryptocurrency
As of December 31, 2022	$ -
Additions	-
Change in fair value	15,195,000
As of December 31, 2023	$ 15,195,000

The change in fair value is reflected in our statement of operations. The fair value of our cryptocurrency asset was calculated based on quoted prices in active markets for this specific cryptocurrency.

We did not identify any addtional assets and liabilities that are required to be presented in the balance sheets at fair value in accordance with the relevant accounting standards. The carrying amount of our cash and cash equivalents, inventory, prepaid expenses, accounts payable and accrued expenses and due from/to related parties approximate their fair value because of the short-term nature of these instruments.

Revenue Recognition

We account for revenue recognition in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers.* Revenue is recognized when we transfer promised goods or services to our customers, in amounts that reflect the consideration that we expect to receive in exchange for those goods or services. In determining the appropriate amount of revenue to be recognized as we fulfill our obligations under each agreement, we perform the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) we satisfy each performance obligation. We only apply the five-step model to contracts when it is probable that we will collect the consideration we are entitled to in exchange for the goods or services we transfer to the customer.

Substantially all revenue for the year ended December 31, 2022, and approximately 38% of revenue for the year ended December 31, 2023, was from product sales through our wholly-owned subsidiary, Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.). These sales were based on e-commerce orders placed by customers. Vyvo Smart's platform ensures that payment is presented for processing by third party payment processors and if the transaction is approved, the customer's order is scheduled for shipment and the sales referral commissions are calculated and paid out by third-party payment providers. We recognize revenue from these product sales and from redemption of affiliate vouchers for products, only upon shipment of products when control of such products is obtained by the customer who placed the e-commerce order. While prior subscription-based services continue to be fulfilled by Vyvo Smart's platform, in the first quarter of 2023 we transitioned our wellness-focused customer sales to our new Helo Health platform, which accounted for approximately 61% of our revenue in the year ended December 31, 2023. For products and services purchased through the Helo Health platform, we pay a fee for sales attributed to an affiliate.

Prior to April 2021, we offered customer loyalty programs in which customers received loyalty points with the purchase of specified products ("loyalty points"). Each loyalty point has a value of $1 which can be used against separate purchases. We allocate a portion of the transaction price from sales to the value of loyalty points. This amount is included in contract liabilities and recorded as a reduction of net revenue in the period which the related revenue is recognized. Through March 2021, holders of loyalty points had the option to use their points or choose to convert them to tokens. As of December 31, 2023 and December 31, 2022, any possible liability in connection with outstanding tokens cannot be reasonably estimated and thus no contract liability has been recorded.

Included in contract liabilities is the estimated amount of vouchers which could be used for future subscription services. At the time of product sales, a customer may receive such a voucher. The contract liability represents the amount that is expected to be used by the customer, and is recorded as a reduction of net revenue in the period which the related revenue is recognized. Any amount received from a customer, of which revenue has not been recognized and is therefore deferred revenue, is also included in contract liabilities.

We generally offer customers a limited right of return for products purchased. We estimate the amount of our product sales that may be returned by customers and record this estimate as a reduction of revenue in the period the related product revenue is recognized. We currently estimate product return reserves using our historical return rates as well as factors that we become aware of that we believe could significantly impact our expected returns. We generally do not record an asset for the returned product.

Sales, value add, and other taxes collected on behalf of third parties are excluded from revenue. We account for shipping and handling activities related to contracts with customers as costs to fulfill the promise to transfer the associated products. We record the related costs within cost of goods sold.

Accounts Receivable

Accounts receivable represent revenue earned from the sale of products for which we have not yet received payment. Accounts receivable are recorded at the invoiced amount and adjusted for amounts management expects not to collect from balances outstanding at period-end. We estimate the allowance for doubtful accounts based on an analysis of specific accounts and an assessment of the customer's ability to pay, among other factors. As of December 31, 2023 and 2022, no allowance for doubtful accounts was recorded.

The balances of receivables and contract liabilities from contracts with customers are as follows as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Accounts receivables	$ 3,172,958	$ 21,996
Contract liabilities:		
Vouchers	$ 895,046	$ 890,283
Deferred revenue	64,692	-
	$ 959,738	$ 890,283

Inventory

As of December 31, 2023 and 2022, inventory consisted of devices and accessories and were stated at the lower of cost, as determined by the first-in first-out method, or net realizable value.

Stock-Based Compensation

We issue stock options principally to incentivize our employees. We account for the related stock-based compensation expense pursuant to FASB guidance, using the fair-value based method. Under this fair-value based method, stock-based compensation expense recognized for stock-based awards includes compensation expense for all stock-based compensation awards granted, based on the grant date fair value estimated in accordance with the provisions of ASC 718.

The calculation of stock-based compensation expense involves estimates requiring management's judgment. These estimates include the fair value of each stock-based award granted, which is estimated on the date of grant using the Black-Scholes option pricing model. There are two significant inputs in the Black-Sholes pricing model: expected volatility and expected term. We estimate expected volatility based on the average volatilities of comparable public companies. The expected term of stock-based awards granted is management's best estimate of the length of time the stock-based award will be outstanding and typically follows the Simplified Method as provided for in the guidance. Other assumptions in the Black-Scholes option pricing model include the risk-free rate for periods within the contractual life of the option, which is based on the U.S. Treasury yield curve in effect at the time of grant, and expected dividends, which were assumed to be zero over the expected term of the options.

Income Taxes

We utilize FASB ASC 740*, Income Taxes*, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Deferred taxes are also recognized for net operating losses that can be carried forward. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. We do not have any uncertain tax positions or any unrecognized tax liabilities or benefits.

Currently, our 2020 through 2023 tax years are open and subject to examination by the taxing authorities. However, we are not currently under audit.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. We provide for depreciation on a straight-line basis over the estimated useful lives of the assets, which are as follows: five years for equipment and tools, three years for design costs and three years for platforms. We evaluate property and equipment for impairment periodically to determine if changes in circumstances or the occurrence of events suggest the carrying value of the asset or asset group may not be recoverable. Maintenance and repairs are charged to operations as incurred. Expenditures which substantially increase the useful lives of the related assets are capitalized.

Research and Development

We expense research and development costs as incurred.

Net Income (Loss) per Common Share

Basic net income (loss) per common share is computed by dividing the net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through contingent shares issuance arrangements, stock options or warrants. Potentially dilutive shares are not included when there is a net loss because they would be anti-dilutive. For the years ended December 31, 2023 and 2022, potentially dilutive shares consisted of the 2,000,000 shares of Series B Preferred Stock convertible at 100:1 and stock options vested and exercisable of 545,476 and 650,714, respectively. Stock options were not included in the calculation of diluted net income (loss) per common share because the effect would have been anti-dilutive.

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, *Leases* ("Topic 842"). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of operations. We adopted the new standard on January 1, 2022 for our year ending December 31, 2022. We had various operating leases for which we were required to recognize a right-of-use asset and lease liability amounting to $1,601,686.

In June 2016, the FASB issued a new credit loss accounting standard, ASU 2016-13, *Current Expected Credit Losses* ("Topic 326"). This guidance replaces the current allowance for loan and lease loss accounting standard and focuses on estimation of expected losses over the life of the loans instead of relying on incurred losses. We adopted the new standard on January 1, 2023 for the year ending December 31, 2023, and the adoption did not have a material impact on our consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740), Simplifying the Accounting for Income Taxes*, which amends the approaches and methodologies in accounting for income taxes during interim periods and makes changes to certain income tax classifications. The new standard allows certain exceptions, including an exception to the use of the incremental approach for intra-period tax allocation, when there is a loss from continuing operations and income or a gain from other items, and to the general methodology for calculating income taxes in an interim period, when a year-to-date loss exceeds the anticipated loss for the year. The standard also requires franchise or similar taxes partially based on income to be reported as income tax and to reflect the effects of enacted changes in tax laws or rates in the annual effective tax rate computation from the date of enactment. Lastly, in any future acquisition, we would be required to evaluate when the step-up in the tax basis of goodwill is part of the business combination and when it should be considered a separate transaction. We adopted the new standard on January 1, 2022, and the adoption did not have a material impact on our consolidated financial statements and disclosures.

Subsequent Events

We have evaluated all subsequent events through the date the consolidated financial statements were issued, for potential recognition or disclosure in the consolidated financial statements. See Note 14 for subsequent events

Note 3. Going Concern

Our consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate the realization of assets and liquidation of liabilities in the normal course of business and the continuation of Helo as a going concern. However, as shown in the accompanying consolidated financial statements, we have incurred losses from operations, including discontinued operations, of $4,372,582 and $975,643, during the years ended December 31, 2023 and 2022, respectively, and our cash and cash equivalents decreased from $8,767,893 as of December 31, 2022 to $286,444 as of December 31, 2023. As such, management has concluded that these factors raise substantial doubt about our ability to continue as a going concern.

To continue operations, we must raise debt or additional equity financing. There can be no assurance that these sources will be available or available on terms favorable to us. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary should we be unable to continue in existence. Management believes that actions presently being taken provide the opportunity for us to continue as a going concern.

Note 4. Property and Equipment

Property and equipment consist of the following as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Platform cost	$ 38,852	$ -
Equipment and tools	596,324	432,710
Intangible asset	59,612	25,836
Less: accumulated depreciation	(427,158)	(338,365)
Property and equipment, net	$ 267,630	$ 120,181

Depreciation expense included in continuing operations for the years ended December 31, 2023 and 2022, was $92,084 and $394,657, respectively. Depreciation expense related to discontinued operations for the years ended December 31, 2023 and 2022, was $58,227 and $99,820, respectively.

Note 5. Stockholders' Equity

On December 31, 2020, our Articles of Incorporation were amended such that the aggregate number of shares of capital stock which we have the authority to issue is 402,000,100, consisting of 400,000,000 shares of common stock with full voting rights and a par value of $0.001 per share and 2,000,100 shares of preferred stock, with a par value of $0.001 per share, consisting of 100 shares of Series A Super Voting Preferred Stock and 2,000,000 shares of Series B Preferred Stock.

The Series A Super Voting Preferred Stock is entitled to 1,000,000 votes for each share and shall vote together with the holders of common stock as a single class, are not entitled to receive dividends or ,have liquidation preference, and are not convertible.

The Series B Preferred Stock has no voting rights, is not entitled to receive dividends or liquidation preference. Each share of Series B Preferred Stock is convertible, at any time and from time to time and after the original issue date at the option for the holder thereof, into 100 shares of common stock.

Note 6. Related Parties

We pay fees to Anch Holdings Ltd. ("Anch") pursuant to a professional services agreement. Sean McVeigh, a significant shareholder, chairman and chief executive officer of Helo, owns and controls Anch. For further information regarding this agreement, see Note 7.

Fabio Galdi is our largest shareholder and chief visionary officer and receives compensation pursuant to an employment agreement. For further information regarding this agreement, see Note 7. A loan from our Singapore subsidiary to Mr. Galdi amounting to $25,183 is included in accounts receivable on our consolidated balance sheet as of December 31, 2023.

Fabio Galdi is a shareholder and CEO of Vyvo Smart Chain Ltd. (the "Foundation"). Fabio's brother, Gabriele Galdi, is a shareholder and the sole director of the Foundation and serves as a director of VSC Tech Pte. Ltd. ("VSC Tech"), a wholly-owned subsidiary of the Foundation. The Foundation and VSC Tech covers related expenses of Messrs. Galdi and they will be entitled to receive VSC coins, in amounts to be determined by the Foundation in the future, but do not receive salaries from the Foundation or VSC Tech. In January 2023, we entered into a Private Key Agreement with the Foundation and VSC Tech. In May 2023, we entered into a Trademark Acquisition Agreement with VSC Tech. In April 2024, we entered into a Share Purchase Agreement with VSC Tech. For further information regarding these agreements, see Notes 7 and 14.

Fabio Galdi and Gabriele Galdi are the only shareholders of an entity that wholly owns InPersona Pte. Ltd. Gabriele Galdi serves as sole director of both InPersona Pte. Ltd. and its parent company. InPersona Pte. Ltd. anpd its parent company cover related expenses of Messrs. Galdi, but do not pay them salaries. In the first quarter of 2023, we prepaid $195,000 in sales commissions to InPersona Pte. Ltd., which will be credited against commissions incurred by InPersona Pte. Ltd. in the future. In the fourth quarter of 2023, InPersona Pte. Ltd. purchased $2.5 million of aging and obsolete inventory at cost (including the cost of associated private keys) from Helo's subsidiaries. A $3.4 million receivable, which includes this purchase of inventory, will be included in the assets of the subsidiaries we have agreed to sell to VSC Tech, pursuant to the April 2024 Share Purchase Agreement. For further information regarding the Share Purchase Agreement, see Note 14.

Effective January 1, 2023, our subsidiaries, Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.) ("Vyvo Smart") and Helo Health Ltd. ("Helo Health"), entered into Services Agreements with VGEN Global Pte. Ltd. ("VGEN Global"). Under the terms of the agreements, VGEN Global agreed to provide services to Vyvo Smart and Helo Health for a term of 12 months. Vyvo Smart and Helo Health agreed to pay predetermined hourly fees for the services provided, with a minimum fee of $10,000 per month for the first six months. Pursuant to these agreements, VGEN Global received $113,684 from Helo subsidiaries for the year ended December 31, 2023. Fabio and Gabriele Galdi serve as directors of an entity that wholly owns VGEN Global and Alessandro Senatore, a member of our Board of Directors and our second largest shareholder, serves as VGEN Global's chief executive officer. VGEN Global covers expenses of Mr. Senatore and pays him a salary.

As of December 31, 2023 and 2022, net balances due from Vyvo India Pte. Ltd. ("Vyvo India") were $56,976 and $14,132, respectively. These balances are non-interest bearing and have no set repayment terms. Gabriele Galdi is the majority shareholder and one of two directors of Vyvo India.

Effective March 15, 2023, our subsidiaries, Vyvo Smart and Helo Health, entered into Services Agreements with VGEN Service SRL ("VGEN Service"). Under the terms of the agreements, VGEN Service agreed to provide services to Vyvo Smart and Helo Health for a term of 12 months. Vyvo Smart and Helo Health agreed to pay predetermined hourly fees for the services provided, with a minimum fee of $10,000 per month for the first six months. Pursuant to these agreements, VGEN Service received a total of $385,595 from Helo subsidiaries for the year ended December 31, 2023. In the fourth quarter of 2023, Mr. Senatore married one of the shareholders and employees of VGEN Service who receives a salary as an employee of VGEN Service.

Note 7. Commitments and Contingencies

Regulatory and Litigation Matters

In the ordinary course of business, we may from time to time be involved in various pending or threatened legal actions. The litigation process is inherently uncertain, and it is possible that the resolution of such matters might have a material adverse effect upon our financial condition and/or results of operations. We are not currently involved in any material litigation, except as follows:

In July 2020, Nattrina and Chanida Puranaputra, et al. ("Plaintiffs"), filed a complaint in the Utah Fourth District State Court against World Global Network, Pte. Ltd. ("WGN"), Sean McVeigh, Fabio Galdi, Alessandro Senatore and other defendants, including Helo and certain of our officers and directors ("Defendants"). Plaintiffs seek compensatory and punitive damages in excess of $28 million, purporting claims of breach of contract, unjust enrichment, fraudulent misrepresentation, breach of the covenant of good faith and fair dealing and securities fraud, related to cash and stock compensation for Plaintiffs' product sales as former sales leaders of WGN, which was previously our exclusive distributor. As a subsequent event, in March 2024, this matter was dismissed with prejudice.

In addition, we are subject to government regulations in our markets. Any assertions or determination that we are not in compliance with existing statutes, laws, rules or regulations could have a material adverse effect on our operations. In addition, the adoption of new statutes, laws, rules or regulations or changes in the interpretation of existing statutes, laws, rules or regulations could have a material adverse effect on us and our operations. No assurance can be given that our compliance with applicable statutes, laws, rules and regulations will not be challenged by authorities or that such challenges will not have a material adverse effect on our financial position, results of operations or cash flows.

We are also subject to regular audits by federal, state and foreign tax authorities. These audits may result in additional tax liabilities.

Employment and Professional Services Agreements

Effective as of April 1, 2023, Helo and Anch entered into an amended and restated professional services agreement with an automatically renewing term of 1 year, pursuant to which Mr. McVeigh serves as our chief executive officer and director of our subsidiaries in Ireland. As consideration for such services, we agreed to pay Anch for Mr. McVeigh's services (i) an annual base fee of $360,000, (ii) a bonus of 100% of the annual base fee upon achievement of certain deliverables, which our Board or a committee thereof shall determine and review, and (iii) six months of base fees and target bonus if the agreement is terminated early by us without cause. Effective as of January 1, 2024, Anch's base fee was temporarily reduced to $15,000 per month. On February 25, 2024, in addition to performance-based options, the Board granted Mr. McVeigh 225,000 time-based options in lieu of Anch's full base fee.

Effective as of April 1, 2023, Helo and Clayton Jones entered into an amended and restated employment agreement with an automatically renewing term of 1 year, pursuant to which Mr. Jones serves as our chief legal officer. As consideration for such services, we agreed to pay (i) an annual base salary of $300,000, (ii) target cash incentive compensation of 100% of annual base salary upon achievement of certain deliverables, which our Board or a committee thereof shall determine and review (iii) equity incentives, the amount and terms of which will be determined by our Board or a committee thereof, (iv) standard employee benefits, and (v) six months of base salary and target bonus if Mr. Jones' employment is terminated early by us without cause.

Effective as of August 1, 2023, Helo and Mr. Galdi entered into an amended and restated employment agreement with an automatically renewing term of 1 year, pursuant to which Mr. Galdi's role changed from chief technology officer to Chief Visionary Officer. As consideration for such services, we agreed to pay (i) target incentive compensation of $360,000, based upon achievement of certain corporate and personal performance-based targets, which our Board shall determine and review, (ii) standard employee benefits, and (iii) $100,000 if Mr. Galdi's employment is terminated early by us without cause.

Effective as of December 1, 2023, Helo and Kevin Fuller entered into an employment agreement with an automatically renewing term of 1 year, pursuant to which Mr. Fuller serves as president of Helo AI and as Helo's chief marketing officer.

As consideration for such services, Helo agreed to pay (i) an annual base salary of $120,000, (ii) target cash incentive compensation of 50% of annual base salary and (iii) equity incentives, as determined by the Company's Board. On February 25, 2024, in addition to performance-based options, the Board granted Mr. Fuller 150,000 time-based options in lieu of a higher salary.

Effective as of January 18, 2024, Helo and David Ufheil entered into an independent consultant agreement with a term of 6 months, pursuant to which Mr. Ufheil serves as the Company's chief financial officer. As consideration for such services, the Company agreed to pay (i) $8,000 per month and (ii) equity incentives, as determined by the Company's Board. On February 25, 2024, in addition to performance-based options, the Board granted Mr. Ufheil 150,000 time-based options in lieu of higher consulting fees.

<u>Other Contingent Liabilities</u>

In January 2023, we entered into a Private Key Agreement with Vyvo Smart Chain Ltd. (the "Foundation") and VSC Tech Pte. Ltd. ("VSC Tech"). Under the terms of the agreement, we agreed to pay VSC Tech a negotiated fee to license software and provision private keys on our wearable devices. In addition, the Foundation agreed to recognize and promote us on the Foundation's website as a Premier Foundation Sponsor for 24 months, store our customers' historical and ongoing wellness data and grant us rights to receive an allotment of locked VSC coins by the Foundation. We paid $3 million of our initial $5 million purchase in cash on or before signing the agreement, which is accounted for as a prepayment until the private keys are used, and the remainder will be due upon VSC Tech and the Foundation achieving specific technical milestones. In May 2023, we entered into an Trademark Acquisition Agreement with VSC Tech to sell VSC Tech our interest in certain Vyvo trademarks, internet domain name registrations and social media accounts for $1 million, which was set off against the amount owed by us to VSC Tech pursuant to the Private Key Agreement and is accounted for as a prepayment until the private keys are used. In September 2023, we received 250,000,000 VSC coins pursuant to Private Key Agreement and subject to certain conditions, including a 24-month lock. As a subsequent event, in April 2024, we entered into a Share Purchase Agreement with VSC Tech to sell VSC Tech all of the outstanding shares of certain Vyvo-related subsidiaries for $1 million, which was set off against the remaining $1 million owed by us to VSC Tech pursuant to the Private Key Agreement and, once the transaction closes, will be accounted for as a prepayment until the private keys are used. For further information regarding the Share Purchase Agreement, please see Note 14. For information regarding related parties involved in these transactions, please see Note 6. In accordance with ASU No. 2023-08, *Accounting for and Disclosure of Crypto Assets*, we accounted for the receipt of the VSC coins at fair value as an intangible asset and will continue to adjust the intangible asset to fair value at each reporting date based on quoted market prices. Any change to fair value of the VSC coins is recognized in other income (expense) in our consolidated statement of operations.

<u>Leases</u>

On January 1, 2022, we adopted ASU No. 2016-02, *Leases*, and all related amendments using the "Comparatives Under 840 Option" transition approach. Under this transition approach, comparative prior periods, including disclosures, were not restated. We elected the transition package of practical expedients which, among other things, allowed us to carry forward historical lease classification. We chose not to elect the hindsight practical expedient. The adoption of the standard did not have an impact on our condensed statements of operations and there was no adjustment to our retained deficit in the balance sheet. We do not expect the adoption of the new standard to have a material impact on our operating results on an ongoing basis.

The most significant impact of the new leases standard was the recognition of right-of-use assets and lease liabilities for operating leases, while our accounting for finance leases remained substantially unchanged. On January 1, 2022, the adoption of the new standard resulted in the recognition of a right-of-use asset and a lease liability of $1,601,686.

We lease certain property, such as office and equipment. We determine if an arrangement is a lease at inception. Lease maturity is calculated as the initial lease term and all options to extend that management estimates to be reasonably certain to exercise at lease commencement. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets are recognized at commencement date based on the present value of lease payments over the lease term. As our leases generally do not provide an implicit rate, we use a risk-free interest rate based on U.S. Treasury rate information available at the commencement date in determining the present value of lease payments.

We have lease agreements with lease and non-lease components and have elected to account for these as a single lease component. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

In 2022, we had six operating leases related to office space and one operating lease related to equipment. During the years ended December 31, 2022 and 2023 in connection with our strategic initiatives, we exited, or the term ended, on five leases. As of December 31, 2023, we are the lessee on one operating lease for office space in Utah and a month-to-month office lease in Tokyo, Japan. However, in October 2022, we subleased the Utah office space to a third party on substantially the same terms as our lease with the landlord.

Operating lease expense included in continuing operations was $272,439 and $204,330 for the years ended December 31, 2023 and 2022, respectively. Operating lease expense included in discontinued operations was $282,890 and $719,613 for the years ended December 31, 2023 and 2022, respectively. Operating lease income included in continuing operations from the Utah sublease was $272,439 and $68,110 for the years ended December 31, 2023 and 2022, respectively. Operating cash flows used for operating leases was $617,230 and $773,229 for the years ended December 31, 2023 and 2022, respectively.

The weighted average remaining lease term and weighted average discount rate related to the remaining lease were 2.75 years and 1.69%, respectively, as of December 31, 2023.

Supplemental balance sheet information related to leases from continuing operations is as follows as of December 31, 2023 and 2022:

	Right of Use Asset	Lease Liability
As of January 1, 2022	$ -	$ -
Adoption of Topic 842	-	-
Additions	1,176,973	1,176,973
Amortization	(189,977)	(137,784)
As of December 31, 2022	986,996	1,039,189
Amortization	(256,865)	(259,160)
As of December 31, 2023	$ 730,131	$ 780,029

Supplemental balance sheet information related to leases from discontinued operations is as follows as of December 31, 2023 and 2022:

	Right of Use Asset	Lease Liability
As of January 1, 2022	$ -	$ -
Adoption of Topic 842	1,601,686	1,601,686
Lease terminations	(344,262)	(369,749)
Amortization	(758,365)	(664,604)
As of December 31, 2022	499,059	567,333
Lease terminations	(206,562)	(210,893)
Amortization	(292,497)	(356,440)
As of December 31, 2023	$ -	$ -

Future maturities of operating lease liabilities as of December 31, 2023 are as follows:

Year ended December 31,	Minimum Lease Payments
2024	$ 283,010
2025	291,503
2026	224,594
Total	799,107
Lease interest	19,078
Present value of future minimum lease payments	780,029
Less current obligations	(271,914)
Long-term lease obligations	$ 508,115

As of December 31, 2023, we have no operating or finance leases that had not yet commenced.

In March 2024, we extended our month-to-month lease agreement for office space in Tokyo, Japan for up to six months from April 2024 to October 2024. Monthly rent is JPY120,000, which will be expensed as incurred.

Note 8. Income Taxes

Deferred Tax Assets

Components of deferred taxes as of December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Net deferred tax assets and liabilities:		
Deferred tax liability – cryptocurrency	$ 3,190,950	$ -
Deferred tax asset:		
Expected income tax benefit from NOL carryforwards	735,000	205,000
Less: valuation allowance	(735,000)	(205,000)
Deferred tax asset, net of valuation allowance	-	-
Net deferred tax liability	$ 3,190,950	$ -

At December 31, 2023, we had net operating loss (“NOL”) carry-forwards for federal income tax purposes of approximately $3,500,000. Such NOL’s do not expire but may only be utilized to offset 80% of taxable income each year. No tax benefit has been reported with respect to these net operating loss carry-forwards in the accompanying consolidated financial statements because we believe that the realization of our net deferred tax assets were not considered more likely than not to be utilized and accordingly, the potential tax benefits of the net loss carry-forwards are fully offset by a valuation allowance.

We periodically evaluate the likelihood of the realization of net deferred tax assets and reduce the carrying amount by a valuation allowance to the extent we believe it will not be realized. We consider many factors when assessing the likelihood of future realization of the net deferred tax assets, including our results of operations, expectation of future income, and other relevant factors.

Deferred tax assets consist primarily of the tax effect of NOL carry-forwards. We provided a full valuation allowance on the deferred tax asset because of the uncertainty regarding its realization.

Income Tax Provision

A reconciliation of the federal statutory income tax rate and the effective income tax rate as a percentage of income before income taxes from continuing operations is as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Tax at federal statutory rate	21.0%	21.0%
Valuation allowance on deferred tax assets	3.9	(21.0)
Other	(1.4)	-
Effective income tax rate	23.5%	-%

An income tax benefit of $248,942 and $508,571, included in discontinued operations, for the years ended December 31, 2023 and 2022, respectively, represent income taxes of our entities in Ireland, which are based on a corporate tax rate of 12.5%. Other than a deferred tax liability related to the change in fair value of cryptocurrency, no deferred taxes are recognized as of December 31, 2023 and 2022.

Note 9. Stock-Based Compensation

2018 Stock Option Plan

Our 2018 Stock Option Plan (the "Plan"), as amended, authorizes the granting of stock awards, including incentive and non-statutory common stock options, to employees, directors, and consultants. The Plan has authorized the issuance of options to purchase up to an aggregate of 7,000,000 shares of our common stock, and we reserved all such shares for issuance under the Plan.

Option awards are generally granted with an exercise price equal to the market price of our stock at the date of grant. Option awards may be fully vested at grant or subject to time-based or performance-based vesting requirements and have a maximum term of ten (10) years measured from the date of grant. We estimate the value of our stock options using fair value on the grant date.

A summary of the option activity under the Plan for years ended December 31, 2023 and 2022 is presented below:

	Number of options	Weighted-average exercise price	Average remaining contractual term	Aggregate intrinsic value
Options outstanding-January 1, 2022	-	$ -		
Granted	1,007,857	2.35		
Canceled or expired	-	-		
Exercised	-	-		
Options outstanding-December 31, 2022	1,007,857	$ 2.35	9.61	$ -
Granted	1,200,000	0.60		
Canceled or expired	(462,381)	2.97		
Exercised	-	-		
Options outstanding-December 31, 2023	1,745,476	$ 0.98	9.16	$ -
Options exercisable-December 31, 2023	545,476	$ 1.82	8.78	$ -

A summary of the status of our non-vested options issued under the Plan as of and for the years ended December 31, 2023 and 2022 is presented below:

	Options		Weighted-average grant-date fair value
Nonvested at January 1, 2022	-	$	-
Granted	1,007,857		0.85
Vested	(650,714)		0.75
Forfeited or expired	-		-
Nonvested at December 31, 2022	357,143	$	1.05
Granted	1,200,000		0.26
Vested	-		-
Forfeited or expired	(357,143)		1.05
Nonvested at December 31, 2023	1,200,000	$	0.26

Compensation cost that has been charged against income in connection with options granted under the Plan was $484,450 for the year ended December 31, 2022. No compensation cost was recognized for the year ended December 31, 2023. As of December 31, 2023, there was $313,200 of total unrecognized stock-based compensation related to nonvested awards granted under the Plan.

The assumptions used in calculating the fair value of stock-based payment awards represent management's best estimates, but these estimates involve inherent uncertainties and the application of management's judgment. As a result, if factors change or we use different assumptions, stock-based compensation expense could be materially different in the future. The following table summarizes the inputs used in the Black-Scholes pricing model during the years ended December 31:

	2023	2022
Expected dividend yield	None	None
Risk free interest rate	3.37%	1.04-4.30%
Expected volatility	41.8%	37.9%
Term	5.5 years	5.2-5.28 years

Note 10. Risk and Uncertainties

In the fourth quarter of 2022, we initiated several strategic restructuring initiatives intended to significantly reduce our cost structure, expand our portfolio of devices and services, and position us for profitability and growth. These initiatives may involve significant expenses and disruptions to our business and there can be no assurance that these initiatives will be successful.

As disclosed in Note 3, we have incurred losses from operations, including discontinued operations and we have limited cash and cash equivalents. As such, management has concluded that these factors raise substantial doubt about our ability to continue as a going concern. To continue operations, we must raise debt or additional equity financing. There can be no assurance that these sources will be available or available on terms favorable to us. If we are not successful in raising debt or additional equity financing, we may be required to delay, modify or eliminate our product development and other initiatives, and we may not be able to continue operating.

As disclosed in Note 7, in September 2023, we received 250,000,000 VSC coins pursuant to Private Key Agreement and subject to certain conditions, including a 24-month lock. The price of crypto assets generally, and VSC coin specifically, has been, and will likely continue to be, subject to significant volatility, which may cause the value of our VSC coins to fluctuate significantly from quarter to quarter, as a result of a variety of factors, many of which are unpredictable and outside of our control.

In August 2023, we introduced our NutraLife AI™ mobile app and BioStrip™ product. There can be no assurance that these products will be successful. If there are regulatory challenges, or insufficient demand for these products and services, we may incur losses. We have recently had some challenges in obtaining approval from Apple® for app updates and our sales will be negatively impacted if we are unable to resolve these challenges or develop alternative solutions, which may require additional time and investment.

In November 2023, we announced the introduction of Helo's AI platform and NutraMatic™ device. There can be no assurance that this introduction will be successful. If there are technology, supply chain or regulatory challenges, or insufficient demand for these products and services, the Company may incur losses.

We continue to face scrutiny and complaints in Japan and other markets, which has and may continue to negatively impact our brand, product sales and cash flow. Although we have worked to resolve these issues, there can be no assurance that these efforts will be effective.

Economic uncertainty, inflation, exchange rate fluctuations and geopolitical instability, could have negative implications for both the global and US economies. A recession or severe market reaction to any of the foregoing could have a material effect on our business operations and financial condition.

Our revenue is largely dependent on the performance of our affiliates. If operations of our affiliates are disrupted, it will negatively impact our revenue and growth opportunities.

Note 11. Reclassification

For the years ended December 31, 2023 and 2022, we reclassified the commissions expense incurred on the sale of our inventory to customers. Previously, commissions expense was included in cost of goods sold. We reclassified those amounts in both years to selling expense in the consolidated statements of operations.

Note 12. Correction of Error

We restated our previously issued 2022 consolidated financial statements for matters listed below. We are currently in the process of completing an audit of our consolidated financial statements for the 2020 through 2023 years, and could expect additional adjustments to be recorded.

Stockholders' equity as originally reported – December 31, 2022	$	8,531,835
Inventory valuation adjustment		401,950
Contract liability adjustment		(238,905)
Accounts payable and accrued expense adjustment		(49,083)
Various adjustments to statements of operations		1,992,276
Capital adjustment		234,958
Prepaid expenses and other current assets adjustment		(116,832)
Accounts receivable adjustment		(611,339)
Foreign currency adjustment		(3,585)
Stockholders' equity as restated – December 31, 2022	$	10,141,275

Note 13. Discontinued Operations

In connection with the strategic restructuring initiatives announced in September 2022, we considered various alternatives with respect to our subsidiaries that focus on Vyvo-branded products. In April 2024, we entered into Share Purchase Agreement to sell all of the outstanding equity of these Vyvo-focused subsidiaries. With this agreement, we believe that we have met the criteria for discontinued operations classification for our Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte. Ltd.) subsidiaries along with their branches in Taiwan and Italy. As such, the consolidated balance sheets and consolidated statements of operations and cash flows reflect those entities as discontinued operations. For further information regarding the Share Purchase Agreement, please see Note 14.

The key components of loss from discontinued operations for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Product revenue	$ 2,899,378	$ 31,320,280
Cost of goods sold	1,488,234	7,030,625
Gross profit	1,411,144	24,289,655
Operating expenses:		
Selling, including commissions	1,495,678	12,827,141
General and administrative	1,695,535	8,617,369
Total operating expenses	3,191,213	21,444,510
Operating income (loss)	(1,780,069)	2,845,145
Other income (expense)	(91,447)	422
Income (loss) before income taxes	(1,871,516)	2,845,567
Benefit for income taxes	248,942	508,571
Income (loss) from discontinued operations	$ (1,622,574)	$ 3,354,138

The carrying amounts of the major classes of assets and liabilities included in discontinued operations are as follows as of December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Assets		
Cash and cash equivalents	$ 227,581	$ 4,767,696
Accounts receivable	1,050,557	2,485,919
Inventory	147,189	1,681,346
Prepaid expenses and other current assets	19,617	87,933
Current assets, discontinued operations	$ 1,444,943	$ 9,022,894
Fixed assets	$ 40,274	$ 470,995
Right of use asset	-	499,059
Due from related parties	56,976	14,132
Non-current assets, discontinued operations	$ 97,250	$ 984,186
Liabilities		
Contract liability	$ -	$ 554,733
Accounts payable and accrued expenses	3,024,670	4,442,785
Lease liability – current portion	-	548,796
Current liabilities, discontinued operations	$ 3,024,670	$ 5,546,314
Lease liability, net of current maturities	$ -	$ 18,537
Non-current liabilities, discontinued operations	$ -	$ 18,537

The key components of cash flows from discontinued operations for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Cash flows from operating activities	$ (4,540,115)	$ (148,700)
Cash flows from investing activities	-	(276,052)
Change in cash and cash equivalents	(4,540,115)	(424,752)
Cash and cash equivalents, beginning of year	4,767,696	5,192,448
Cash and cash equivalents, end of year	$ 227,581	$ 4,767,696

Note 14. Subsequent Events

Effective as of February 25, 2024, Helo entered into Indemnification Agreements with David Ufheil and Kevin Fuller.

In March 2024, the Puranaputra litigation matter, involving claims against Helo, Sean McVeigh, Fabio Galdi, Alessandro Senatore and other defendants, was dismissed with prejudice. For additional information regarding this litigation, please see Note 7.

In March 2024, the SpO2 feature of our LifeWatch™ was cleared for marketing through the 510(k) process with the US Food and Drug Administration.

In April 2024, Helo entered into a Share Purchase Agreement (the "Share Purchase Agreement") with VSC Tech Pte. Ltd. ("VSC Tech"), pursuant to which Helo will sell all outstanding shares of Vyvo Smart Ltd. (fka Helo Smart Ltd. and Vyvo Smart Ltd.), Vyvo Technology Corp., Vyvo Network Japan KK and Vyvo Technology Pte. Ltd. (fka InPersona Tech Pte. Ltd. and Vyvo Network Pte. Ltd.) subsidiaries along with their branches in Taiwan and Italy (the "Target Companies") to VSC Tech for $1,000,000 as an offset against the amount owed by Helo to VSC Tech pursuant to the January 2023 Private Key Agreement. The Target Companies will be transferred to VSC Tech on or before June 30, 2024, following certain intercompany settlements and other adjustments. A $3.4 million receivable for fourth quarter 2023 inventory purchases of aging and obsolete inventory at cost (including the cost of associated private keys) by InPersona Pte. Ltd. will be included in the assets of the Target Companies. For information regarding related parties involved in this transaction, please see Note 6. For additional information regarding these discontinued operations, please see Note 13.