Stemcell Holdings, Inc.

Consolidated Balance Sheets

(Unaudited)

ASSETS

	December 31, 2023	December 31, 2022
CURRENT ASSETS		
Cash	$ 30,307	$ -
Accounts receivable, net	103,025	-
Receivables – related party	-	-
Prepaids and other current assets	116,145	-
Current assets of discontinued operations	-	777,645
Total Current Assets	249,477	777,645
Fixed assets	1,773	-
Operating lease right-of-use asset	24,688	-
Deposits	30,274	-
Receivables – related party	877,543	-
Goodwill	192,534	94,785
TOTAL ASSETS	$ 1,376,289	$ 872,430

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31, 2023	December 31, 2022
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 221,925	$ -
Accrued liabilities – related party	240,000	-
Operating lease liability - current	18,028	-
Current liabilities of discontinued operations	-	812,777
Total Current Liabilities	479,953	812,777
LONG-TERM LIABILITIES		
Loan payable – related party	917,746	-
Operating lease liability – long-term	6,660	-
Long-term liabilities of discontinued operations	-	243,304
TOTAL LIABILITIES	1,404,359	1,056,081
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock, $0.0001 par value; 20,000,000 shares authorized, -0- shares issued and outstanding	-	-
Common stock, $0.0001 par value; 500,000,000 shares authorized 1,000,000,000 and 427,378,000 shares issued and outstanding, respectively	100,000	42,738
Additional paid-in capital	1,900,156	1,760,078
Accumulated deficit	(2,196,488)	(2,135,997)
Accumulated other comprehensive income (loss)	168,272	149,530
Total Stockholders’ Equity (Deficit)	(28,060)	(183,651)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 1,351,601	$ 872,430

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

Stemcell Holdings, Inc.

Consolidated Statements of Operations

(Unaudited)

	For the Years Ended December 31,	
	2023	2022
Revenues	$ 72,214	$ -
OPERATING EXPENSES		
Subcontractor expenses	$ 90	$ -
General and administrative	323,896	1,600
Total Operating Expenses	323,986	1,600
LOSS FROM OPERATIONS	(251,772)	(1,600)
OTHER INCOME (EXPENSES)		
Gain on sale of subsidiary	191,281	-
Total Other Income (Expenses)	191,281	-
NET LOSS BEFORE INCOME TAXES	(60,491)	(1,600)
PROVISION FOR INCOME TAXES	-	-
NET LOSS FROM CONTINUING OPERATIONS	(60,491)	(1,600)
NET LOSS FROM DISCONTINUED OPERATIONS	-	(201,479)
NET LOSS	$ (60,491)	$ (203,079)
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign currency translation adjustment	18,741	19,428
TOTAL COMPREHENSIVE INCOME (LOSS)	$ (41,750)	$ (183,651)
BASIC AND DILUTED LOSS PER SHARE FROM CONTINUING OPERATIONS	$ (0.00)	$ (0.00)
BASIC AND DILUTED LOSS PER SHARE FROM DISCONTINUED OPERATIONS	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	432,084,482	427,378,000

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

Stemcell Holdings, Inc.

Consolidated Statements of Stockholders' Equity

For the Years Ended December 31, 2023 and 2022

(Unaudited)

	Common Stock		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Income (Loss)	Deficit	Equity
Balance, December 31, 2021	427,378,000	$ 42,738	$ 1,760,078	$ 130,102	$(1,932,918)	$ -
Other comprehensive income	-	-	-	19,428	-	19,428
Net loss for the year ended December 31, 2022	-	-	-	-	(203,079)	(203,079)
Balance, December 31, 2022	427,378,000	42,738	1,760,078	149,530	(2,135,997)	(183,651)
Common stock issued for acquisition of subsidiary	572,622,000	57,262	140,078	-	-	197,340
Other comprehensive income	-	-	-	18,742	-	18,742
Net loss for the year ended December 31, 2023	-	-	-	-	(60,491)	(60,491)
Balance, December 31, 2023	1,000,000,000	$ 100,000	$ 1,900,156	$ 168,272	$ (2,196,488)	$ (28,060)

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

Consolidated Statements of Cash Flows

(Unaudited)

	For the Years Ended December 31, 2023	For the Years Ended December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (60,491)	$ (203,079)
Net loss from discontinued operations	-	201,479
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Gain on disposal of subsidiary	(191,281)	-
Changes in operating assets and liabilities:		
Accounts receivable	(73,771)	-
Prepaids and other current assets	6,476	-
Other receivables	96,542	-
Accounts payable and accrued liabilities	52,863	-
Accrued liabilities – related party	240,000	-
Operating cash flows from discontinued operations	-	(25,089)
Net Cash Provided by (Used in) Operating Activities	70,338	(26,689)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash acquired in acquisition	31,036	-
Proceeds from sale of subsidiary	7,630	-
Investing activities of discontinued operations	-	97,328
Net Cash Provided by Investing Activities	38,666	97,328
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on short-term loan payable	(100,965)	-
Financing activities of discontinued operations	-	(59,135)
Net Cash Used in Financing Activities	(100,965)	(59,135)
Effects of changes on foreign exchange rates	(754)	11,518
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,285	23,022
CASH OF CONTINUING OPERATIONS, BEGINNING OF PERIOD	-	-
CASH OF DISCONTINUED OPERATIONS, BEGINNING OF PERIOD	-	-
CASH, BEGINNING OF PERIOD	23,022	-
CASH, END OF PERIOD	30,307	23,022
LESS: CASH OF DISCONTINUED OPERATIONS	-	(23,022)
CASH OF CONTINUING OPERATIONS AT END OF PERIOD	$ 30,307	$ -
SUPPLEMENTAL DISCLOSURES:		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -
Non-cash investing and financing activities:		
Common stock issued for acquisition of subsidiary	$ 197,340	$ -
Initial recognition of operating lease right-of-use asset and liability	$ 38,779	$ -

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

STEMCELL HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022
(Unaudited)

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Stemcell Holdings, Inc., a Delaware corporation ("the Company") was incorporated under the laws of the State of Delaware on October 25, 2015. With the acquisition of SC-HD, K.K, the Company provides stemcell supernatant products.

On May 24, 2021, Takaaki Matsuoka resigned as Chief Executive Officer, Chief Financial Officer, President, Secretary and Treasurer and Masato Ozawa was appointed to those positions (see Note 3).

On January 1, 2022, the Company entered into a Stock Purchase Agreement with Masato Ozawa. Pursuant to the agreement, Mr. Ozawa transferred the Company 100 shares of the common stock of Stemcell KK, a Japanese corporation, which represents 100% of its issued and outstanding shares, in consideration of JPY 1,000,000 ($8,687). Following the stock purchase transaction, the Company gained a 100% equity interest in Stemcell KK. and Stemcell KK became a wholly-owned subsidiary of the Company.

On January 1, 2023, the Company sold its 100 shares of common stock in Stemcell KK for $7,630. Upon the sale of the common stock, Stemcell KK was no longer a subsidiary of the Company.

On December 28, 2023, the Company entered into an Acquisition Agreement with SC-HD, K.K (SC-HD), a Japanese corporation. The Company issued 572,622,000 shares of its common stock to acquire 100% of SC-HD and it became a wholly-owned subsidiary of the Company.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

This summary of significant accounting policies is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles, generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, SC-HD, K.K. All significant inter-company balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reported period. In the opinion of management, all adjustments necessary in order to make the financial statements not misleading have been included. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Income Taxes

The Company accounts for income taxes using a method that requires recognition of deferred tax assets and liabilities for expected future tax consequences of temporary differences that currently exist between tax bases and financial reporting bases of the Company's assets and liabilities which is commonly known as the asset and liability method. In assessing the ability to realize deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company evaluates its tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are ''more-likely-than-not'' of being sustained by the applicable tax authority. Tax positions not deemed to meet the "more-likely-than-not" threshold are recorded as an expense in the applicable year. Management's evaluation of uncertain tax positions may be subject to review and adjustment at a later date based upon factors including, but not limited to, an on-going analysis of tax laws, regulations and interpretations thereof, with due consideration given to the fact that tax periods are open to examination by tax authorities. The Company does not have any material unrecognized tax benefits as of December 31, 2023 and 2022.

Basic Earnings (Loss) Per Share

The Company computes basic and diluted earnings (loss) per share in accordance with ASC Topic 260, *Earnings per Share*. Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share reflects the potential dilution that could occur if stock options and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share in the earnings of the Company. As of December 31, 2023 and 2022 the Company does not have any potentially dilutive shares outstanding.

Fair Value of Financial Instruments

The Company's balance sheet includes certain financial instruments. The carrying amounts of current assets and current liabilities approximate their fair value because of the relatively short period of time between the origination of these instruments and their expected realization.

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of July 31, 2021. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include accrued expenses. As of July 31, 2021, the Company had no financial instruments.

Leases

The Company follows the provisions of ASC 842, and records right-of-use (“ROU”) assets and lease obligations for its operating leases, which are initially recognized based on the discounted future lease payments over the term of the lease. If the rate implicit in the Company's leases is not readily determinable, the Company's applicable incremental borrowing rate is used in calculating the present value of the sum of the lease payments.

The lease term is defined as the non-cancelable period of the lease plus any options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option. The Company has elected not to recognize ROU asset and lease obligations for its short-term leases, which are defined as leases with an initial term of 12 months or less.

Foreign Currency Translations

The Company’s functional and reporting currency is the U.S. dollar. The Company has transactions in the Japanese Yen. All transactions initiated in Japanese Yen are translated into U.S. dollars in accordance with ASC 830-30, “Translation of Financial Statements,” as follows:

1) Monetary assets and liabilities at the rate of exchange in effect at the balance sheet date.
2) Equity at historical rates.
3) Revenue and expense items at the average rate of exchange prevailing during the period.

Adjustments arising from such translations are deferred until realization and are included as a separate component of stockholders’ equity as a component of comprehensive income or loss. Therefore, translation adjustments are not included in determining net income (loss) but reported as other comprehensive income. Gains and losses from foreign currency transactions are included in earnings in the period of settlement.

	Year ended December 31, 2023	Year ended December 31, 2022
Spot JPY: USD exchange rate	$ 0.0071	$ 0.0079
Average JPY: USD exchange rate	$ 0.0071	$ 0.0077

New Accounting Pronouncements

The Company considers all new pronouncements and management has determined that there have been no recently adopted or issued accounting standards that had or will have a material impact on its financial statements.

Revenue Recognition

The Company recognizes revenue from its contracts with customers in accordance with ASC 606 - Revenue from Contracts with Customers. The Company recognizes revenues when satisfying the performance obligation of the associated contract that reflects the consideration expected to be received based on the terms of the contract.

Revenue related to contracts with customers is evaluated utilizing the following steps: (i) Identify the contract, or contracts, with a customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; (v) Recognize revenue when the Company satisfies a performance obligation.

The Company receives orders for its stemcell products from medical clinics. Revenues are recognized based on the agreed upon sales or transaction price with the customer when control of the promised goods are transferred to the customer. The transfer of goods to the customer and satisfaction of the Company’s performance obligation will occur either at the time when products are shipped or when the products arrive and are received by the customer depending on the shipping terms. No discounts are offered by the Company as part of payment terms. The Company does not provide an estimate for returns as there is no anticipation for any returns in the normal course of business.

Accounts Receivable

In the normal course of business, the Company extends credit to its customers on a short-term basis. Although the credit risk associated with these customers is minimal, the Company routinely reviews its accounts receivable balances and makes provisions for doubtful accounts. When an account is deemed uncollectible, the Company charges off the receivable against the bad debt reserve. A considerable amount of judgment is required in assessing the realization of these receivables including the current creditworthiness of each customer and related aging of the past-due balances, including any billing disputes. In order to assess the collectability of these receivables, the Company performs ongoing credit evaluations of its customers' financial condition.

Through these evaluations, the Company may become aware of a situation where a customer may not be able to meet its financial obligations due to deterioration of its financial viability, credit ratings or bankruptcy. The allowance for doubtful accounts is based on the best information available to the Company and is reevaluated and adjusted as additional information is received. The Company evaluates the allowance based on historical write-off experience, the size of the individual customer balances, past-due amounts and the overall national economy. As of December 31, 2023 and 2022, the Company had allowance for doubtful of accounts of $227 and $0, respectively.

Business Combinations

In accordance with ASC 805, Business Combinations, the Company accounts for all business combinations using the acquisition method of accounting. Under this method, assets and liabilities, including any remaining non-controlling interests, are recognized at fair value at the date of acquisition. The excess of the purchase price over the fair value of assets acquired, net of liabilities assumed, and non-controlling interests is recognized as goodwill. Certain adjustments to the assessed fair values of the assets, liabilities, or non-controlling interests made subsequent to the acquisition date, but within the measurement period, which is up to one year, are recorded as adjustments to goodwill. Any adjustments subsequent to the measurement period are recorded in income. Any cost or equity method interest that the Company holds in the acquired company prior to the acquisition is re-measured to fair value at acquisition with a resulting gain or loss recognized in income for the difference between fair value and the existing book value. Results of operations of the acquired entity are included in the Company's results from the date of the acquisition onward and include amortization expense arising from acquired tangible and intangible assets.

Goodwill

The Company allocates goodwill to reporting units based on the reporting unit expected to benefit from the business combination. We evaluate our reporting units on an annual basis and, if necessary, reassign goodwill using a relative fair value allocation approach. Goodwill is tested for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, or sale or disposition of a significant portion of a reporting unit.

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated primarily using a discounted cash flow methodology. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital.

The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results, market conditions, and other factors. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for each reporting unit.

During the year ended December 31, 2023 and 2022, the Company had $94,785 and $0 of goodwill impairment, respectively. The goodwill impairment was recorded as part of the gain on sale of subsidiary.

NOTE 2 - GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has negative working capital and does not have sufficient revenues to cover its operating expenses which raises substantial doubt about the Company's ability to continue as a going concern. The Company intends to finance its future development activities and its working capital needs largely from the sale of equity securities, at such times as the Company determines to be appropriate, pursuant to exemptions from registration under applicable securities laws, with some additional funding from other traditional financing sources, such as bank borrowings and other indebtedness, until such time that funds provided by operations are sufficient to fund working capital and other business requirements. The consolidated financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 3 – OTHER RECEIVABLES

During the year ended December 31, 2022, the Company entered into a liquidation agreement with a non-affiliated company for $449,303 (58,863,270 JPY) to cancel a provisional registration agreement for the purchase of property that was entered into during 2022. The Company sold Stemcell KK during the year ended December 31, 2023 (see Note 8) and this receivable was included in the sale. As of December 31, 2023, the balance related to this receivable was $0.

NOTE 4 – SHAREHOLDER EQUITY

Preferred Stock
The authorized preferred stock of the Company consists of 20,000,000 shares with a par value of $0.0001. There were no preferred stock issued and outstanding as of as of December 31, 2023 and 2022.

Common Stock
The authorized common stock of the Company consists of 100,000,000,000 shares with a par value of $0.0001. There were 1,000,000,000 and 427,378,000 shares of common stock issued and outstanding as of December 31, 2023 and 2022, respectively.

During the year ended December 31, 2023, the Company issued 527,622,000 shares of common stock for 100% ownership in SC-HD, K.K. Following the stock issuance, SC-HD, K.K became a wholly-owned subsidiary of the Company.

NOTE 5 – RELATED PARTY TRANSACTIONS

Loan Payable

During the year ended December 31, 2022, the Company acquired Stemcell KK from Mr. Ozawa as described in Note 1. In the acquisition of Stemcell KK, the Company acquired $199,870 in short-term loans payable - related party from Mr. Ozawa. The Company received $305,861 in proceeds during the year leaving a short-term loans payable – related party balance of $505,731 as of December 31, 2022. The loan was due on demand and had a 0% interest rate. The Company sold Stemcell KK during the year ended December 31, 2023 (see Note 8) and this loan payable was included in the sale. As of December 31, 2023, the balance related to this loan payable was $0.

During the year ended December 31, 2023, the Company acquired SC-HD, K.K as described in Note 1. In the acquisition of SC-HD, K.K, the Company acquired a note payable balance of $917,746. The loan payable is to a company controlled and owned by Mr. Takayuki Matsuoka, a major shareholder of the Company. The loan carries a 5% interest and is due November 30, 2025.

Receivables

During the year ended December 31, 2022, the Company acquired Stemcell KK from Mr. Ozawa as described in Note 1. In the acquisition of Stemcell KK, the Company acquired $16,802 in a related party receivable from Mr. Ozawa. During the year ended December 31, 2022, the Company advanced $288,518 leaving a balance related party receivable balance of $305,320 as of December 31, 2022. The advance carried a 1% interest and was due July 5, 2023. The

Company sold Stemcell KK during the year ended December 31, 2023 (see Note 8) and this receivable was included in the sale. As of December 31, 2023, the balance related to this receivable was $0.

During the year ended December 31, 2023, the Company acquired SC-HD, K.K as described in Note 1. In the acquisition of SC-HD, K.K, the Company acquired a two loan receivable balances of $566,845 and $310,698, respectively. The loans are to companies controlled and owned by Mr. Takayuki Matsuoka, a major shareholder of the Company. The loans carry a 5% interest and are due November 30, 2025 and July 31, 2025, respectively.

Accrued Liabilities

During the year ended December 31, 2023 and 2022, the Company owed $240,000 and $0, respectively, to its CEO for compensation.

NOTE 6 – NOTES PAYABLE

During the year ended December 31, 2022, the Company acquired Stemcell KK from Mr. Ozawa as described in Note 1. In the acquisition of Stemcell KK, the Company acquired $608,300 in loans payable. The loans carry a 1% interest rate and has a maturity date of February 1, 2025. The Company repaid $364,996 of the principal balance during 2022 leaving a balance of $243,304 as of December 31, 2022. The Company sold Stemcell KK during the year ended December 31, 2023 (see Note 7) and this note payable was included in the sale. As of December 31, 2023, the balance related to this note payable was $0.

NOTE 7 – ACQUISITIONS

Acquisition of Stemcell KK

During the year ended December 31, 2022, the Company acquired 100% of the issued and outstanding shares of stock (100 shares) of Stemcell KK as follows:

On January 1, 2022, the Company completed the acquisition of 100% of the issued and outstanding shares of stock of Stemcell KK, whereby Stemcell KK became a wholly owned subsidiary of the Company. Stemcell KK provides consulting and mergers and acquisition services.

The following table summarizes the consideration transferred to acquire Stemcell KK and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:	
Cash	$8,687
Total	$8,687

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:		
Cash	$	98,106
Prepaid deposit		-
Related party receivable		16,802
Other receivable		608,300
Total assets:	$	723,208
Liabilities:		
Accounts payable and accrued expenses	$	1,136
Short-term loan payable		608,300
Short-term loan payable – related party		199,870
Total liabilities:	$	809,306
Goodwill:	$	94,785

The goodwill is not deductible for tax purposes, and was recorded in the Company's balance sheet as an intangible asset. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company. During the year ended December 31, 2023, due to the sale of Stemcell KK (see Note 8) the Company recorded $94,785 of goodwill impairment. The goodwill impairment was recorded as part of the gain on sale of subsidiary. No impairment of goodwill was deemed necessary during the year ended December 31, 2022.

Acquisition of SC-HD, K.K

During the year ended December 31, 2023, the Company acquired 100% of the issued and outstanding shares of stock SC-HD, K.K as follows:

On December 28, 2023, the Company completed the acquisition of 100% of the issued and outstanding shares of stock of SC-HD, K.K, whereby SC-HD, K.K became a wholly owned subsidiary of the Company. SC-HD, K.K. sells stem cell supernatants to medical clinics

The following table summarizes the consideration transferred to acquire SC-HD, K.K and the amounts of identified assets acquired and liabilities assumed at the acquisition date.

Fair value of consideration transferred:	
Common stock (572,622,000 shares)	$197,340
Total	$197,340

Recognized amounts of identifiable assets acquired, and liabilities assumed:

Assets:		
Cash	$	31,036
Accounts receivable		29,254
Deposit		33,605
Prepaids and other current assets		122,621
Other receivable		974,085
Fixed assets		1,968
Total assets:	$	1,192,569
Liabilities:		
Accounts payable and accrued expenses	$	169,052
Short-term loan payable		1,018,711
Total liabilities:	$	1,187,763
Goodwill:	$	192,534

The goodwill is not deductible for tax purposes, and was recorded in the Company's balance sheet as an intangible asset. The carrying value of the Company's goodwill is reviewed annually for impairment by management of the Company, and no impairment of goodwill was deemed necessary during the years ended December 31, 2023 and 2022.

NOTE 8 – DISCONTINUED OPERATIONS

On January 1, 2023, the Company sold its 100 shares of common stock, which represented 100% ownership in Stemcell KK its wholly-owned subsidiary, for $7,630.

In accordance with the provisions of ASC 205-20, the Company has separately reported the assets and liabilities of the discontinued operations in the consolidated balance sheets. The assets and liabilities have been reflected as discontinued operations in the consolidated balance sheets as December 31, 2022, and consist of the following:

December 31, 2022

Current assets of discontinued operations:		
Cash	$	23,022
Receivables – related party		305,320
Other receivables		449,303
Total current assets of discontinued operations:	$	777,645
Current liabilities of discontinued operations:		
Accounts payable and accrued expenses	$	307,046
Short-term loan payable – related party		505,731
Total current liabilities of discontinued operations:		812,777
Long-term liabilities of discontinued operations		
Loans payable		243,304
Total liabilities of discontinued operations	$	1,056,081

In accordance with the provisions of ASC 205-20, the Company has not included in the results of continuing operations the results of operations of the discontinued operations in the consolidated statements of operations and comprehensive loss. The results of operations from discontinued operations for the year ended December 31, 2022 have been reflected as discontinued operations in the consolidated statements of operations and comprehensive loss for the year ended December 31, 2022 and consist of the following.

		Year Ended December 31, 2022
Revenues of discontinue operations	$	221,186
OPERATING EXPENSES OF DISCONTINUED OPERATIONS		
Subcontractor expense	$	412,450
General and administrative		71,521
Total operating expenses of discontinued operations		483,971
Operating Loss from discontinued operations		(262,785)
OTHER INCOME (EXPENSES) OF DISCONTINUED OPERATIONS		
Other income		61,306
Total other income (expense)		61,306
Net loss before income taxes from discontinued operations		201,479
Provision for income taxes from discontinued operations		-
Net loss from discontinued operations	$	201,479

In accordance with the provisions of ASC 205-20, the Company has separately reported the cash flow activity of the discontinued operations in the consolidated statements of cash flows. The cash flow activity from discontinued operations for the year ended December 31, 2022 have been reflected as discontinued operations in the consolidated statements of cash flows for the year ended December 31, 2022, and consist of the following.

		Year Ended December 31, 2022
Discontinued Operating Activity		
Net loss	$	(201,479)
Changes in operating assets and liabilities		
Receivables – related party		(288,518)
Other receivables		158,997
Accounts payable and accrued liabilities		305,911
Net cash used in operating activities of discontinued operations		(25,089)

Investing Activities of discontinued operations	
Cash acquired in acquisition	97,328
Net cash provided in investing activities of discontinued operations	97,328
Financing Activities of discontinued operations	
Proceeds from short-term loan payable – related party	305,861
Repayments on short-term loan payable	(364,996)
Net cash used in financing activities of discontinued operations	(59,135)

NOTE 9 – INCOME TAXES

The Company, which acts as a holding company on a non-consolidated basis, does not plan to engage any business activities and current or future loss will be fully allowed. For the period ended December 31, 2023, the Company as a holding company registered in the state of Delaware, has incurred a net loss and, therefore, has no income tax liability. The net deferred tax asset generated by the loss carry forward has been fully reserved.

United States

The Company has not recognized an income tax benefit for its operating losses generated based on uncertainties concerning its ability to generate taxable income in future periods. The tax benefit for the period presented is offset by a valuation allowance established against deferred tax assets arising from the net operating losses, the realization of which could not be considered more likely than not. In future periods, tax benefits and related deferred tax assets will be recognized when management considers realization of such amounts to be more likely than not. Should a change in ownership occur, net operating loss carryforwards may be limited to use in future years.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. No such interest or penalties were recognized during the years ended December 31, 2023 and 2022. The Company had no accruals for interest and penalties at December 31, 2023 and 2022.

The Company's federal income tax returns since December 31, 2020 remain subject to examination by the Internal Revenue Service.

During 2023 and 2022, the Company incurred net losses and, therefore, has no tax liability. The Company made the election in Japanese tax law to not carry forward losses, therefore the Company has $0 net operating loss carry over and $0 deferred tax assets.

NOTE 10 – LEASES

With the acquisition of SC-HD KK, the Company acquired an operating lease. The lease began in March 2023, is for 24 months and ends on March 31, 2025. The lease requires monthly lease payments of JPY 237,450 or approximately $1,695 for the term of the lease.

Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU 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. On the commencement date of the lease, the Company recorded $38,779 related to the ROU asset and lease liability.

The components of lease expense and supplemental cash flow information related to the lease for the period are as follows:

	Year Ended

	December 31, 2023
Lease Cost	
Operating lease cost (included in general and administrative in the Company's statement of operations)	$ 15,250
Other Information	
Cash paid for amounts included in the measurement of lease liabilities for the year ended December 31, 2023	$ 15,250
Weighted average remaining lease term – operating leases (in years)	1.25 years
Average discount rate – operating lease	5 %

The supplemental balance sheet information related to leases for the period is as follows:

	At December 31, 2023	At December 31, 2022
Operating leases		
Remaining right-of-use assets	$ 24,688	$ -
Short-term operating lease liabilities	$ 18,028	$ -
Long-term operating lease liabilities	$ 6,660	$ -
Total operating lease liabilities	$ 24,688	$ -

Maturities of the Company's undiscounted lease liabilities are as follows:

Year Ending	Operating Leases
2024	$ 20,331
2025	5,083
Total lease payments	25,414
Less: Imputed interest/present value discount	(726)
Present value of lease liabilities	$ 24,688

NOTE 10 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events since December 31, 2023 and through the date these financial statements were issued, and has determined there have been no subsequent events for which disclosure is required.