

Healixa Inc.

51 Elm St.
Huntington, NY 11743

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Corporate Website: www.healixa.com
Corporate Email: info@healixa.com

Annual Report

For the period ending March 31, 2024 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

754,584,730 as of March 31, 2024 *(Current Reporting Period Date or More Recent Date)*

754,584,730 as of March 31, 2024 *(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 Control⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁴ “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

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

- Permco LTD – June 16, 1977
- Computer Mortgages of America Holding Co. – June 19, 1999
- Sheffield Industries, Inc. – May 9, 2005
- Kensington Energy Corporation – July 5, 2005
- Emerald Organic Products Inc. - August 3, 2012
- Carie Health Inc. – May 12, 2020Healixa Inc. – February 23, 2021

Current State and Date of Incorporation or Registration: State of Nevada

Standing in this jurisdiction: (e.g. active, default, inactive): Active

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

None

Address of the issuer's principal executive office:

51 Elm Street, Huntington, New York 11743

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

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: Pacific Stock Transfer
Phone: (800) 785-7782
Email: Joslyn@pacificstocktransfer.com
Address: 6725 Via Austin Parkway, Suite 300, Las Vegas, Nevada 89119

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:	<u>EMOR</u>	
Exact title and class of securities outstanding:	<u>Common</u>	
CUSIP:	<u>57387H</u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>2,000,000,000</u>	<u>as of date: 11/30/2018</u>
Total shares outstanding:	<u>754,584,730</u>	<u>as of date: 3/31/2024</u>
Total number of shareholders of record:	<u>307</u>	<u>as of date: 3/31/2024</u>

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

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 the security:	<u>Series A Convertible Preferred Shares</u>	
CUSIP (if applicable):	<u>None</u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>82,625</u>	<u>as of date: 2/28/2020</u>
Total shares outstanding (if applicable):	<u>82,625</u>	<u>as of date: 3/31/2024</u>
Total number of shareholders of record (if applicable):	<u>1</u>	<u>as of date: 3/31/2024</u>

Exact title and class of the security:	<u>Series B Convertible Preferred Shares</u>	
CUSIP (if applicable):	<u>None</u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>180,000</u>	<u>as of date: 9/30/2021</u>
Total shares outstanding (if applicable):	<u>143,268</u>	<u>as of date: 3/31/2024</u>
Total number of shareholders of record (if applicable):	<u>11</u>	<u>as of date: 3/31/2024</u>

Exact title and class of the security:	<u>Series C Preferred Shares</u>	
CUSIP (if applicable):	<u>None</u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>30,000</u>	<u>as of date: 9/30/2021</u>
Total shares outstanding (if applicable):	<u>30,000</u>	<u>as of date: 3/31/2024</u>
Total number of shareholders of record (if applicable):	<u>2</u>	<u>as of date: 3/31/2024</u>

Exact title and class of the security:	<u>Series D Preferred Shares</u>	
CUSIP (if applicable):	<u>None</u>	
Par or stated value:	<u>\$.001</u>	
Total shares authorized:	<u>1,000,000</u>	<u>as of date: 5/30/2023</u>
Total shares outstanding (if applicable):	<u>22,800</u>	<u>as of date: 3/31/2024</u>
Total number of shareholders of record (if applicable):	<u>6</u>	<u>as of date: 3/31/2024</u>

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

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.

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to declare and pay dividends and then only at the times and in the amounts that our Board may determine. See the section titled "Dividend Policy" for additional information. Voting Rights Holders of our common stock are entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders.

Voting Rights

Holders of our common stock are entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders.

Our amended and restated articles of incorporation does not provide for cumulative voting for the election of directors. As a result, the holders of a majority of the voting power of our outstanding capital stock can elect all of the directors then standing for election. Our amended and restated articles of incorporation establishes a classified board of directors, to be divided into three classes with staggered three-year terms. Only one class of directors will be elected at each annual meeting

of our stockholders, with the other classes continuing for the remainder of their respective three-year terms.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to redemption or sinking fund provisions. Right to Receive Liquidation Distributions Upon our liquidation, dissolution, or winding up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock, and any participating preferred stock outstanding at that time, subject to the prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any shares of preferred stock outstanding at that time.

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

Preferred Stock

Our amended and restated articles of incorporation authorizes our Board of Directors to issue up to 100 million shares of preferred stock, par value \$0.001 per share, in such series and have the designations, rights, powers (including voting rights), and preferences as our board of directors may, from time to time determine and set forth in certificates of designation filed with the Nevada Secretary of State. Pursuant to such authority, our board of directors have designated three classes of our preferred stock as of the date of this prospectus, Series A Preferred Stock, Series B Preferred Stock, and Series C Preferred Stock, having such rights as set forth below.

Following the completion of this offering, our board of directors will be authorized, subject to limitations prescribed by Nevada law, to issue up to an additional 99,827,375 shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers (including voting powers), preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in control of our company and might adversely affect the market price of our common stock.

Series A Preferred Stock

We are authorized to issue up to 82,625 shares of our Series A Preferred Stock and have 82,625 shares issued and outstanding as of the date of this report. Shares of Series A Preferred Stock are entitled to receive dividends on par with our common stock and vote (together with our common stock) on an "as converted" basis. Shares of our Series A Preferred Stock convert into shares of our common stock at the rate of ten shares of common stock for every one shares of Series A Preferred Stock so converted. While the designation for our Series A Preferred Stock states that the Series A Preferred Stock do not have any rights upon the liquidation of our company, nothing would prohibit the holder of shares of Series A Preferred Stock from converting the holder's shares into shares of common stock prior to a liquidation of our company and, thereby, share with the holders of our common stock in any distributions to our stockholders in connection with the liquidation and winding down of our company.

Series B Preferred Stock

We are authorized to issue up to 105,000 shares of our Series B Preferred Stock and have 81,300 shares issued and outstanding as of the date of this prospectus. Shares of Series B Preferred Stock are entitled to receive dividends on par with our common stock and vote (together with our common stock) on an "as converted" basis. Shares of our Series B Preferred Stock convert into shares of our common stock at the rate of one shares of common stock for every one shares of Series B Preferred Stock so converted while the Company remains trading on the over the counter market (OTC Markets). Shares of our Series B Preferred Stock convert into shares of our common stock at the rate of 1,000 shares of common stock for every one shares of Series B Preferred Stock so converted if converted after our common stock successfully lists on a national securities exchange. While the designation for our Series B Preferred Stock states that the Series B Preferred Stock do not have any rights upon the liquidation of our company, nothing would prohibit the holder of shares of Series B Preferred Stock from converting the holder's shares into shares of common stock prior to a liquidation of our company and, thereby, share with the holders of our common stock in any distributions to our stockholders in connection with the liquidation and winding down of our company.

Company recently extended it's the authorized number of shares to 180,000 Series B Preferred Stock.

Series C Preferred Stock

We are authorized to issue up to 30,000 shares of our Series C Preferred Stock, issued 30,000 shares of Series C Preferred Stock and then subsequently cancel said issuance of Series C Preferred Stock. Shares of Series C Preferred Stock were not entitled to receive any dividends, nor were they convertible into any other securities of our company. Series C Preferred Stock controlled 51% of the voting power of all of our voting securities and, in effect, the holder of our Series C Preferred Stock controlled any matter that is voted upon by our stockholders. All of the issued and outstanding Series C Preferred Stock was owned by DTMWTD LLC, a Delaware limited liability company whose members consist of Ian Parker, our President and Chief Executive Officer, Michael Berg, our Chief Development Officer, and a former executive officer and director of our company. All three signed off on the cancelation of the Series C Preferred Stock and as did our Board of Directors. Company just recently reissued Series C Preferred Stock to two parties.

Series D Preferred Stock

We are authorized to issue up to 1,000,000 shares of our Series D Preferred Stock and have 22,800 shares issued and outstanding as of the date of this report. Shares of Series D Preferred Stock are entitled to receive dividends on par with our common stock and vote (together with our common stock) on an "as converted" basis. Shares of our Series D Preferred Stock convert into shares of our common stock at the rate of ten shares of common stock for every one shares of Series D Preferred Stock so converted. While the designation for our Series D Preferred Stock states that the Series D Preferred Stock do not have any rights upon the liquidation of our company, nothing would prohibit the holder of shares of Series D Preferred Stock from converting the holder's shares into shares of common stock prior to a liquidation of our company and, thereby, share with the holders of our common stock in any distributions to our stockholders in connection with the liquidation and winding down of our company.

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:

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

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>3/31/2022</u> <u>810,063,147</u> Common: Preferred: <u>82,625</u>			*Right-click the rows below and select "Insert" to add rows as needed.						
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.
3/31/2022	New Issuance	100,000	Common	0	No	Shares for Services	STRATEGY 10 LLC (TOM WOODCHEKE)	Rule 144 Restricted	Section 4(a)(2)
4/04/2022	New Issuance	125,000	Common	0	No	Shares for Services	REDCHIP COMPANIES INC (DAVID GENTRY)	Rule 144 Restricted	Section 4(a)(2)
9/1/2022	New Issuance	2,000,000	Common	0	No	Shares for Services	INTERNATIONAL MONETARY (CONTROLLED BY BLAINE RILEY)	Rule 144 Restricted	Section 4(a)(2)
10/6/2022	New Issuance	34,095	Common	0	No	Shares For Convertible Note	DALE FORTUNA	Rule 144 Restricted	Section 4(a)(2)
10/6/2022	New Issuance	200,000	Common	0	No	Shares for Services	PARADIGM SHIFT CONCEPTS (CONTROLLED BY JUSTIN WOLLER)	Rule 144 Restricted	Section 4(a)(2)

12/5/2022	New Issuance	2,000,000	Common	0	No	Shares for Services	INTERNATIONAL MONETARY (CONTROLLED BY BLAINE RILEY)	Rule 144 Restricted	Section 4(a)(2)
12/6/2022	New Issuance	200,000	Common	0	No	Shares for Services	RICHARD H WILHELM II	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	7,200	Preferred B	0	No	Shares for Services	BRADLEY CAPITAL GROUP (CONTROLLED BY JOHN LAI)	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	6,500	Preferred B	0	No	Shares for Services	GRANITE SYSTEM, LLC (CONTROLLED BY HENRY MILLER)	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	800	Preferred B	0	No	Shares for Services	PHIL ANDERSON	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	100	Preferred B	0	No	Shares for Services	CHRISTOPHER GALIANO	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	100	Preferred B	0	No	Shares for Services	KEVIN KIM	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	100	Preferred B	0	No	Shares for Services	FIG ANNUNZIATO	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	500	Preferred B	0	No	Shares for Services	SATYJET DEB	Rule 144 Restricted	Section 4(a)(2)
1/4/2022	New Issuance	5,000	Preferred B	0	No	Shares for Services	INNOVATIVE VENTURE PARTNERS (MATTHEW VOGEL)	Rule 144 Restricted	Section 4(a)(2)
4/10/2023	New Issuance	500,000	common	0	No	Shares for Services	PARADIGM SHIFT CONCEPTS INC (CONTROLLED BY JUSTIN WOLLER)	Rule 144 Restricted	Section 4(a)(2)
5/10/2023	New Issuance	2,000,000	common	0	No	Settlement	FRESE WHITEHEAD ANDERSON AND HENDERSON PA (CONTROLLED BY DANIEL WHITEHEAD)	Rule 144 Restricted	Section 4(a)(2)

5/10/2023	New Issuance	2,000,000	common	0	No	Shares for Services	JASON MISCHEL	Rule 144 Restricted	Section 4(a)(2)
5/10/2023	New Issuance	-3,750,000	common	0	No	Settlement	PADMAJA PATEL	Rule 144 Restricted	Section 4(a)(2)
5/10/2023	New Issuance	-500,000	common	0	No	Settlement	KACEY WHITLOCK	Rule 144 Restricted	Section 4(a)(2)
5/10/2023	New Issuance	-3,750,000	common	0	No	Settlement	HARDIKKUMAR PATEL	Rule 144 Restricted	Section 4(a)(2)
6/16/2023	New Issuance	50,000	common	0	No	Shares for Services	MARY L LUREK	Rule 144 Restricted	Section 4(a)(2)
6/16/2023	New Issuance	322,583	common	0	No	Shares for Services	OUTSIDE THE BOX CAPITAL INC (CONTROLLED BY BLAKE MURACCO)	Rule 144 Restricted	Section 4(a)(2)
6/16/2023	New Issuance	1,250,000	common	0	No	Shares for Services	JAGDAT SINGH	Rule 144 Restricted	Section 4(a)(2)
6/21/2023	New Issuance	-4,000,000	common	0	No	Shares for Services	HARDIKKUMAR PATEL	Rule 144 Restricted	Section 4(a)(2)
07/17/2023	New Issuance	100,000	common	0	No	Shares for Services	ADAM DOOLITTLE	Rule 144 Restricted	Section 4(a)(2)
07/28/2023	New Issuance	200,000	common	0	No	Shares for Services	MULTI MEDIA PRODUCTIONS USA INC (CONTROLLED BY MATTHEW HALLMAN)	Rule 144 Restricted	Section 4(a)(2)
08/11/2023	New Issuance	15,000	Preferred B	0	No	Shares for Services	INNOVATIVE VENTURE PARTNERS (MATTHEW VOGEL)	Rule 144 Restricted	Section 4(a)(2)
09/30/2023	New Issuance	150	Preferred B	0	No	Shares for Services	JEENARINE NARINE	Rule 144 Restricted	Section 4(a)(2)
09/30/2023	New Issuance	150	Preferred B	0	No	Shares for Services	RANDY NARINE	Rule 144 Restricted	Section 4(a)(2)
9/30/2023	New Issuance	47,668**	Preferred B	0	No	Shares for Services	COMPLETE HUMAN INDUSTRIES INC (CONTROLLED BY EVAN DEMARCO)	Rule 144 Restricted	Section 4(a)(2)

10/1/2023	Cancelation	10,192,333	Common	0	No	Shares for Merger	VINCENT CARUSO	Rule 144 Restricted	Section 4(a)(2)
10/1/2023	Cancelation	10,112,333	Common	0	No	Shares for Merger	STEVEN SIMON	Rule 144 Restricted	Section 4(a)(2)
1/31/2024	Issuance	6,000	Series C Preferred Shares	0	No	Shares for Services	DTMWTD LLC (CONTROLLED BY MATTHEW DILL, MICHAEL BERG AND IAN PARKER)	Rule 144 Restricted	Section 4(a)(2)
1/31/2024	Issuance	24,000	Series C Preferred Shares	0	No	Shares for Services	DAVID PARKER HOLDINGS INC (CONTROLLED BY JULIETTE PARKER)	Rule 144 Restricted	Section 4(a)(2)
Shares Outstanding on Date of This Report:									
	<u>Ending Balance</u>								
	<u>Ending</u>								
<u>Balance:</u>									
Date <u>3/31/2024</u>									
	Common:								
	<u>754,664,730</u>								
	Preferred:								
	<u>194,225</u>								

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, 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)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
6/24/19	10,000	10,000	0	11/1/19	N/A	Dean Wall	Working Capital
6/24/19	10,000	10,000	0	11/1/19	N/A	Keith Dean	Working Capital
9/18/20	59,250	50,000	9,250	3/31/21	Convertible into Common Stock	Abib Husain MD	Working Capital
9/18/20	29,625	25,000	4,625	3/31/21	Convertible into Common Stock	Kent Northcote MD	Working Capital
9/17/20	29,750	25,000	4,750	2/1/21	Convertible into Common Stock	Greg Undahl	Working Capital

9/18/20	89,250	75,000	14,250	3/31/21	Convertible into Common Stock	SKO Investments (Don Olson)	Working Capital
12/7/20	250,000	200,000	Zero Coupon	5/7/21	Convertible into Common Stock	Bradley Capital Group LLC (Controlled by John Lai)	Working Capital
2/10/21	58,000	50,000	8,000	8/10/21	Convertible into Common Stock	Michael Retzbach	Working Capital
2/11/21	69,600	60,000	9,600	8/11/21	Convertible into Common Stock	Thomas Bennett	Working Capital
4/13/21	625,000	500,000	Zero Coupon	11/1/21	Convertible into Common Stock	Bradley Capital Group (Controlled by John Lai)	Working Capital
7/19/21	3,396	3,000	396	3/1/22	Convertible into Common Stock	Kit Cheng	Working Capital
7/21/21	56,575	50,000	6,575	3/1/22	Convertible into Common Stock	Mahaish Ramoutor	Working Capital
7/21/21	27,722	24,500	3,222	3/1/22	Convertible into Common Stock	Green Sage Capital Holdings LLC (Controlled by Lance Sager)	Working Capital
7/21/21	56,575	50,000	6,575	3/1/22	Convertible into Common Stock	Simon Kandial	Working Capital

7/21/21	56,567	50,000	6,567	3/1/22	Convertible into Common Stock	Christopher Persaud	Working Capital
8/5/21	56,458	50,000	6,458	4/1/22	Convertible into Common Stock	Badesh Thakur	Working Capital
8/9/21	56,425	50,000	6,425	4/1/22	Convertible into Common Stock	Sureain S. Sawh	Working Capital
8/9/21	56,425	50,000	6,425	4/1/22	Convertible into Common Stock	Rupal Patel	Working Capital
10/7/21	92,825	75,000	17,825	5/1/22	Convertible into Common Stock	Francesco S Rossi	Working Capital
10/8/21	30,900	25,000	5,900	5/1/22	Convertible into Common Stock	John Arizzi	Working Capital
10/9/21	30,933	25,000	5,933	5/1/22	Convertible into Common Stock	Joseph T D Avanzo	Working Capital
11/22/21	140,000	110,000	Zero Coupon	6/1/22	Convertible into Common Stock	Bradley Capital Group (Controlled by John Lai)	Working Capital
10/31/21	1,200,000	700,000	Zero Coupon	7/31/22	Convertible into Common Stock	Tiger Trout Capital (controlled by Alan Masley)	Working Capital

11/12/21	22,260	20,000	2,260	5/31/22	Convertible into Common Stock	Sandra Rigley	Working Capital
12/29/21	55,275	50,000	5,275	6/1/22	Convertible into Common Stock	Richard Alloway II	Working Capital
2/01/22	54,875	50,000	4,875	8/01/22	Convertible into Common Stock	Richard Alloway	Working Capital
2/1/22	54,817	50,000	4,817	8/1/22	Convertible into Common Stock	Gregory Craddock	Working Capital
2/1/22	164,075	150,000	14,075	8/1/22	Convertible into Common Stock	Diane Koontz	Working Capital
3/3/22	54,683	50,000	4,683	9/3/22	Convertible into Common Stock	Michelle Goss	Working Capital
4/27/22	25,070	22,500	2,570	10/27/22	Convertible into Common Stock	Jeffrey Mills	Working Capital
4/27/22	66,853	60,000	6,853	10/27/22	Convertible into Common Stock	Darvin Habben	Working Capital
4/28/22	66,840	60,000	6,840	10/28/22	Convertible into Common Stock	SKO Investments (Controlled by Don Olson)	Working Capital

5/2/22	50,090	45,000	5,090	11/2/22	Convertible into Common Stock	Michael Ocker	Working Capital
5/2/22	65,090	60,000	5,090	11/2/22	Convertible into Common Stock	Yiamas LLC (Controlled by Richard Alloway II)	Working Capital
5/19/22	277,312	250,000	27,312	11/19/22	Convertible into Common Stock	A,L, Sarroff Fund (Controlled by Alan Sarroff)	Working Capital
5/31/22	91,871	83,000	8,871	11/30/22	Convertible into Common Stock	Mathew Varghese	Working Capital
6/16/22	121,342	110,000	11,342	12/16/22	Convertible into Common Stock	RSL Associates (Controlled by Randy Narine)	Working Capital
7/6/22	274,677	250,000	24,677	1/6/23	Convertible into Common Stock	A,L, Sarroff Fund (Controlled by Alan Sarroff)	Working Capital
7/12/22	301,849	275,000	26,849	1/12/23	Convertible into Common Stock	Jeff Davoud	Working Capital
8/10/22	180,045	165,000	15,045	2/10/23	Convertible into Common Stock	TR Capital Investments 1, LLC (Controlled by Matthew Dicken)	Working Capital
9/9/22	35,801	33,000	2,801	3/9/23	Convertible into Common Stock	Steven Townley	Working Capital

9/12/22	3,585	3,300	285	3/12/23	Convertible into Common Stock	Allen Garland	Working Capital
9/14/22	11,934	11,000	934	3/14/23	Convertible into Common Stock	George Shaheen	Working Capital
9/15/22	7,163	6,600	563	3/15/23	Convertible into Common Stock	Clayton Wigg	Working Capital
10/12/22	180,000	135,000	30,000	4/12/23	Convertible into Common Stock	Tiger Trout Capital (Controlled by Alan Masley)	Working Capital
11/10/22	75,000	75,000	0	5/10/22	N/A	Diane Koontz	Working Capital
11/15/22	50,000	50,000	0	5/15/22	N/A	Bradley Capital Group (Controlled by John Lai)	Working Capital
12/5/22	152,410	143,000	9,410	6/5/23	Convertible into Common Stock	Richard Alloway	Working Capital
1/12/2023	1,474	1,375	99	12/31/23	Convertible into Common Stock	Farah Dorros	Working Capital
1/12/2023	1,474	1,375	99	12/31/23	Convertible into Common Stock	Sharon Dorros	Working Capital

1/12/2023	11,790	11,000	790	12/31/23	Convertible into Common Stock	Darkhorse Capital Group LLC (Controlled by Asher Allweiss)	Working Capital
1/12/2023	17,684	16,500	1,184	12/31/23	Convertible into Common Stock	TR Capital Investments 1, LLC (Controlled by Matthew Dicken)	Working Capital
1/13/2023	5,893	5,500	393	12/31/23	Convertible into Common Stock	Daniel Shulman	Working Capital
1/17/2023	29,437	27,500	1,937	12/31/23	Convertible into Common Stock	Timothy Goulet	Working Capital
1/17/2023	11,775	11,000	775	12/31/23	Convertible into Common Stock	Allen Vogel	Working Capital
1/17/2023	5,837	5,500	387	12/31/23	Convertible into Common Stock	Pedro Munoz	Working Capital
1/17/2023	5,837	5,500	387	12/31/23	Convertible into Common Stock	James Ventura	Working Capital
1/17/2023	11,775	11,000	775	12/31/23	Convertible into Common Stock	Ace Venture Capital (Controlled by James Ventura)	Working Capital
1/19/2023	64,194	60,000	4,194	12/31/23	Convertible into Common Stock	Darvin Habben Trust (Darvin Habben Trustee)	Working Capital

2/21/2023	23,859	22,500	1,359	12/31/23	Convertible into Common Stock	Jeffrey Mills	Working Capital
3/21/2023	142,113	135,000	7,113	12/31/23	Convertible into Common Stock	SKO Investments (Controlled by Don Olson)	Working Capital
3/21/2023	26,458	20,000	1,458	12/31/23	Convertible into Common Stock	Greg E Undahl	Working Capital
4/6/23	12,500	25,000	500	n/a	n/a	Full Send Inc (Controlled by Matthew Dill)	Working Capital
4/11/23	30,000	30,000	0	n/a	Convertible into Preferred D Stock	Michael Ocker	Working Capital
4/12/23	55,000	55,000	0	n/a	Convertible into Preferred D Stock	Adam Dean	Working Capital
4/14/23	15,000	15,000	0	n/a	Convertible into Preferred D Stock	Nicholas Hanna	Working Capital
4/26/23	15,000	15,000	0	n/a	Convertible into Preferred D Stock	Matthew Mason	Working Capital
5/19/23	139,935	135,000	4,935	11/19/24	Convertible into Common Stock	SKO Investments (Controlled by Don Olson)	Working Capital

5/22/23	23,304	22,500	804	11/22/24	Convertible into Common Stock	Jeffrey Mills	Working Capital
5/22/23	25,447	25,000	447	11/22/24	Convertible into Common Stock	Greg E Undahl	Working Capital
5/22/23	62,145	60,000	2,145	11/22/24	Convertible into Common Stock	Darvin Habben	Working Capital
5/24/23	51,761	50,000	1,761	11/24/24	Convertible into Common Stock	JAAA Holding Company (Controlled by Neatram Joe Jairam)	Working Capital
5/24/23	51,761	50,000	1,761	11/24/24	Convertible into Common Stock	RSL Associates (Controlled by Randy Narine)	Working Capital
7/19/23	18,000	18,000	0	n/a	Convertible into Preferred D Stock	Michael Chalavoutis	Working Capital
8/2/23	25,000	25,000	333	n/a	n/a	Innovative Venture Partners (Controlled by Matthew Vogel)	Working Capital
8/11/23	35,000	35,000	350	n/a	n/a	Innovative Venture Partners (Controlled by Matthew Vogel)	Working Capital
9/5/23	25,000	25,000	167	n/a	n/a	Innovative Venture Partners (Controlled by Matthew Vogel)	Working Capital

9/11/23	65,000	65,000	0	n/a	Convertible into Preferred D Stock	Michael Ciotta	Working Capital
9/15/23	20,067	20,000	67	3/15/25	Convertible into Common Stock	Daniel Shulman	Working Capital
9/18/23	15,000	15,000	0	n/a	Convertible into Preferred D Stock	Michael Ciotta	Working Capital
9/20/23	15,000	15,000	0	n/a	Convertible into Preferred D Stock	Allen Vogel	Working Capital

*****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:

None

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")

The Company is engaged in the creation, acquisition, development and deployment of ethically engineered healing technologies that have a positive impact. This includes technology that has an impact the macro environmental challenges of our time and health technology that makes quality health

care accessible to all people. For the benefit of shareholders, the Company has sold off its Pura Vida Vitamins line of products to focus on its technology portfolio.

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

The Company conducts business through its wholly- and majority-owned subsidiaries, Healixa Capital Corp and Advocate Care, LLC.

C. Describe the issuers' principal products or services.

Company also focuses on clean water through its Eternal Spring™ Deposition Water Harvesting™ technology. Company also owns and operates patient care coordination software and services.

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, describe the limitations on the ownership.

The Company maintains an office presence at 51 Elm St, Huntington, NY 11743 through a lease of \$2,950 per month.

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 of more than 5%)	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
DAVID PARKER HOLDINGS LLC	Affiliate (Super Voting)	HOLBROOK, NY	44,667,600	COMMON / PREF C	5.33%	Juliette Parker
MATTHEW DILL	COO	HOLBROOK, NY	219,441,860	COMMON/PREF C	21.41%	DTMWTD LLC
GREENVESTMENTS LLC	Affiliate	HOLBROOK, NY	47,855,716	COMMON	5.71%	Juliette Parker
JOHN LEE	CFO	HOLBROOK, NY	40,000,000	COMMON	4.77%	Owned Through Rates Unlimited LLC
MICHAEL BERG	Affiliate	HOLBROOK, NY	30,000,000 / 60,000**	COMMON / PREF B** / PREF C	3.58%	Owned Through NB Lease LLC
IAN PARKER	CEO	HOLBROOK, NY	731,489	COMMON / PREF C	*%	Owned Through JSK Capital LLC
ROBERT MCGRATH	DIRECTOR	HOLBROOK, NY	6,000,000	COMMON	*%	
RICHARD ALLOWAY	DIRECTOR	HOLBROOK, NY	150,000	COMMON	*%	
MATTHEW VOGEL	DIRECTOR	HOLBROOK, NY	20,000	PREFERRED B	*%	Owned Through Innovative Venture Partners LLC
BRET HEDGES	SVP AND DIRECTOR	HOLBROOK, NY	100	PREFERRED B	*%	
DTMWTD LLC	Affiliate (Super Voting)	Huntington, NY	30,000	PREFERRED C	*%	(Controlled by Matthew Dill, Michael Ber, and Ian Parker)

*% means less than 1%

** Subject to board review and vesting

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:

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.

NONE

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: Dennis O'Rourke
Firm: Moritt, Hock, & Hameroff, LLP
Address 1: 400 Garden City Plaza
Address 2: Garden City, NY 11530
Phone: (516) 873-2000

Accountant or Auditor

Name: Lou Pizzileo, CPA
Firm: Grassi Advisors & Accountants
Address 1: 50 Jericho Quadrangle, Suite 200
Address 2: Jericho, NY 11753
Phone: (516) 256-3500
Email: LPizzileo@grassicpas.com

Investor Relations

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: _____
Facebook: _____
[Other]: _____

Other Service Providers

Provide the name of any other service provider(s) that **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.

Name: Clifford J. Hunt, Esquire
Firm: Law Office of Clifford J. Hunt, P.A.
Nature of Services: Securities Counsel
Address 1: 8200 Seminole Blvd
Address 2: Seminole, FL 33772
Phone: 727-471-0444
Email: 727-471-0444

9) Disclosure & Financial Information

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

Name: Ian Parker
Title: CEO
Relationship to Issuer: Officer

B. The following financial statements were prepared in accordance with:

- ☐ IFRS
☒ U.S. GAAP

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

A. Name: John Lee
Title: CFO
Relationship to Issuer: Officer

Describe the qualifications of the person or persons who prepared the financial statements:⁵ **Has served as CFO consecutively for three years. Is versed in GAAP accounting principals and has navigated the company through three years of PCAO audits. Has 25 plus years in the financial industry and is an expert in public market compliance.**

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

Financial Statement Requirements:

- 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.

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

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, Ian Parker certify that:

1. I have reviewed this Disclosure Statement for Healixa Inc;
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.

7/15/2024 [Date]

/s/ Ian Parker [CEO's Signature]

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

Principal Financial Officer:

I, John Lee certify that:

1. I have reviewed this Disclosure Statement for Healixa Inc;
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.

7/15/2024 [Date]

/s/ John Lee [CFO's Signature]

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

HEALIXA, INC. AND SUBSIDIARIES
FINANCIAL STATEMENTS

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HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) March 31, 2024	(Unaudited) March 31, 2023
ASSETS		
Current Assets:		
Cash	\$ 92,311	\$ 23,166
Accounts receivable, net of allowances for doubtful accounts of \$0 and \$0, respectively	243,067	6,182
Prepaid expenses and other current assets	125,876	336,496
Total Current Assets	<u>461,254</u>	<u>365,844</u>
Right of use asset	11,037	44,147
Goodwill	115,000	115,000
Other assets	5,680	5,680
Total Assets	<u>\$ 592,971</u>	<u>\$ 530,671</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,761,090	\$ 1,257,556
Lease liability	11,824	33,160
Stock payable	2,216,640	4,588,900
Convertible notes	6,196,908	5,292,113
Loans payable	268,500	145,000
Due to affiliates	119,241	120,745
Total Current Liabilities	<u>10,574,203</u>	<u>11,437,474</u>
Long-term Liabilities:		
Lease liability, net of current portion	-	12,127
Total Liabilities	<u>10,574,203</u>	<u>11,449,601</u>
Commitments and Contingencies (See Note 10)		
Stockholders' Deficit:		
Series A convertible preferred stock, \$0.001 par value, 82,625 shares authorized; 82,625 shares issued and outstanding, respectively	83	83
Series B convertible preferred stock, \$0.001 par value, 105,000 shares authorized; 64,800 shares issued and outstanding, respectively	65	64
Series C preferred stock, \$0.001 par value, 30,000 shares authorized, 0 shares issued and outstanding, respectively	-	-
Common stock, \$.001 par value; 2,000,000,000 shares authorized; 766,086,429, and 780,546,813 shares issued and outstanding, respectively	766,086	780,547
Additional paid-in capital	132,240,929	124,707,820
Subscription receivable	(32,000)	(32,000)
Accumulated deficit	(142,956,395)	(136,375,444)
Total Stockholders' Deficit	<u>(9,981,232)</u>	<u>(10,918,930)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 592,971</u>	<u>\$ 530,671</u>

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

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Three Months Ended	
	March 31, 2024	March 31, 2023
Revenue, net	\$ 207,617	\$ -
Cost of revenue	92,911	-
Total gross profit	114,706	-
Operating expenses:		
Professional fees	2,293,962	124,078
Salaries and consulting	103,135	228,312
Advertising and marketing	4,026	1,036,346
Selling, general and administrative	65,550	362,495
Total operating expenses	2,466,673	1,751,231
Interest expense	83,261	71,271
Income tax expense	-	-
Net loss	\$ (2,435,228)	\$ (1,822,502)
Net loss per common share - basic	\$ (0.00)	\$ (0.00)
Net loss per common share - diluted	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding - basic	768,872,524	777,262,653
Weighted average shares outstanding - diluted	768,872,524	777,262,653

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(UNAUDITED)

	Series A		Series B		Series C		Common Stock		Additional	Subscription	Accumulated	Total
	Convertible		Convertible		Preferred Stock		Paid-in		Receivable		Deficit	
	Preferred Stock	Preferred Stock	Preferred Stock	Common Stock	Capital							
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at January 1, 2023	82,625	\$ 83	64,000	\$ 64	-	\$ -	780,546,813	\$780,547	\$ 124,707,820	\$ (32,000)	\$ (135,730,020)	\$(10,273,506)
Common stock issued for interest on convertible notes	-	-	-	-	-	-	-	-	-	-	-	-
Common stock issued for services	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of notes payable into common stock	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of convertible notes with stock purchase warrants	-	-	-	-	-	-	-	-	-	-	-	-
Cancellation of common stock issued	-	-	-	-	-	-	-	-	-	-	-	-
Net loss	-	-	-	-	-	-	-	-	-	-	(645,424)	(645,424)
Balance as of March 31, 2023 (Unaudited)	82,625	\$ 83	64,000	\$ 64	-	\$ -	780,546,813	\$780,547	\$ 124,707,820	\$ (32,000)	\$ (136,375,444)	\$(10,918,930)
Balance at January 1, 2024	82,625	\$ 83	64,800	\$ 65	-	\$ -	757,164,730	\$757,165	\$ 129,882,481	\$ (32,000)	\$ (140,521,168)	\$ (9,913,374)
Common stock issued for services	-	-	-	-	-	-	8,921,699	8,921	2,358,448	-	-	2,367,369
Net loss	-	-	-	-	-	-	-	-	-	-	(2,435,228)	(2,435,228)
Balance as of March 31, 2024 (Unaudited)	82,625	\$ 83	64,800	\$ 65	-	\$ -	766,086,429	\$766,086	\$ 132,240,929	\$ (32,000)	\$ (142,956,396)	\$ (9,981,233)

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

HEALIXA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Twelve Months Ended	
	March 31, 2024	March 31, 2023
Cash flows from operating activities:		
Net loss from continuing operations	\$ (6,580,951)	\$ (7,590,535)
Adjustments to reconcile net loss to net cash used in operating activities:		
Right of use asset amortization	33,110	33,108
Interest on convertible notes	297,637	180,502
Original issue discount interest	78,280	351,634
Conversion of stock payable	(717,799)	-
Conversion of notes payable	-	17,503
Stock based compensation for services	5,864,188	4,864,500
Changes in operating assets and liabilities:		
Accounts receivable	(236,885)	(6,182)
Prepaid expenses and other current assets	210,620	(282,164)
Other assets	-	(4,930)
Accounts payable and accrued expenses	205,897	330,058
Lease liability	(33,463)	(32,819)
Net cash used in operating activities from continuing operations	(879,366)	(2,139,325)
Cash flows from financing activities:		
Proceeds from sale of convertible notes payable	826,515	2,066,150
Debt discount on convertible notes payable and stock warrants	-	(169,700)
Proceeds from loans payable	123,500	125,000
Proceeds from affiliates	-	13,695
Payments to affiliates	(1,504)	(7,831)
Net cash provided by financing activities from continuing operations	948,511	2,027,314
Net increase (decrease) in cash	69,145	(112,011)
Cash and cash equivalents - beginning of period	23,166	135,177
Cash and cash equivalents - end of period	\$ 92,311	\$ 23,166
Supplemental cash flow information:		
Cash paid for:		
Interest	\$ 1,668	\$ 1,668
Non-cash investing and financing activities:		
Conversion of notes payable to common stock	\$ -	\$ 5,000
Conversion of stock payable to common stock	\$ 2,688,170	\$ 183,500

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

HEALIXA, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND BUSINESS OPERATIONS

Corporate History

Healixa Inc. (f/k/a Emerald Organic Products Inc) (“EMOR”, “Healixa”, or the “Company”) was incorporated in October 1977 as a Nevada corporation to engage in the retail sale of organic meat products and held minority interests in oil and gas property leases and owned production and marketing rights to a patented pet waste disposal product.

Effective November 28, 2018, EMOR entered into an agreement and plan of merger with EOP Merger Sub LLC, a newly-formed, wholly-owned Oregon limited liability (“EOP Merger Sub”), and Pura Vida Health LLC, an Oregon limited liability company (“Pura Vida”). On April 5, 2019, EMOR consummated the Pura Vida Merger Agreement with EOP Merger Sub and Pura Vida. Pursuant to the Pura Vida Merger Agreement, EOP Merger Sub merged into and with Pura Vida, with Pura Vida continuing as the surviving entity and the wholly-owned subsidiary of EMOR (the “Pura Vida Merger”).

Immediately following the Pura Vida Merger, the Company had 772,704,794 shares of common stock issued and outstanding. The pre-Pura Vida Merger stockholders of the Company retained an aggregate of 78,391,132 shares of common stock of the Company, representing approximately 10% ownership of the post-Pura Vida Merger Company. Therefore, upon consummation of the Pura Vida Merger, there was a change in control of the Company, with the former owners of Pura Vida effectively acquiring control of the Company. The Pura Vida Merger was treated as a recapitalization and reverse acquisition of the Company for financial accounting purposes. Pura Vida is considered the acquirer for accounting purposes, and the Company’s historical financial statements before the Pura Vida Merger.

Effective September 30, 2019, the Company entered into an agreement and plan of merger with EOP Vending Merger Sub LLC, a newly formed, wholly-owned Nevada limited liability company (“EOP Vending Merger Sub”), and Bezalel’s Jewelry, Inc., a California corporation (“Bezalel”) (the “Bezalel Merger Agreement”). Pursuant to the Bezalel Merger Agreement, EOP Vending Merger Sub merged into and with Bezalel, with Bezalel continuing as the surviving entity and a 51% majority owned subsidiary of the Company.

On April 1, 2020, the Company entered into an agreement and conditional plan of merger with EOP RX Merger Sub LLC, a newly formed, wholly-owned Florida limited liability company (“EOP RX Merger Sub”), and Dermserv LLC (d/b/a Bonsa Health) (“Dermserv”), a Florida Corporation (the “Dermserv Conditional Merger Agreement”). Pursuant to the Dermserv Conditional Merger Agreement, 51% of Dermserv’s outstanding equity units were to be exchanged for an aggregate consideration of up to 20,000,000 shares of Healixa’s common stock. On June 17, 2020, Dermserv changed its name to CarieRx LLC (“CarieRx”). The Company has since discovered that it has meritorious causes of action against Dermserv and its principals, including for material breach of the Dermserv Conditional Merger Agreement and, as such, the Company will be taking appropriate legal steps to nullify the Dermserv Conditional Merger Agreement and cancel the shares paid as consideration.

Effective July 2, 2020, the Company entered into an agreement and plan of merger with Carie Health Inc., a Nevada corporation, Carie DMO Merger Sub Corp (“Carie DMO Merger Sub”), a newly formed Nevada corporation, and wholly-owned subsidiary of the Company, and DMO Holdings Corp, a Nevada corporation (“DMO Holdings”) (the “DMO Merger Agreement”). Pursuant to the DMO Merger Agreement, Carie DMO Merger Sub merged into and with DMO Holdings, with DMO Holdings continuing as the surviving entity and a wholly owned subsidiary of the Company (the “DMO Merger”).

As of January 1, 2021, the Company sold off its Pura Vida Vitamins line in order to focus on its technology portfolio. Accordingly, the Company had reported the results of the Pura Vida business as discontinued operations.

HEALIXA, INC. AND SUBSIDIARIES
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Effective April 5, 2021, the Company entered into a joint venture with RX Solutions LLC which resulted in the issuance of 1,000,000 shares of common stock to a consultant as a commission. This arrangement also resulted in the Company acquiring the license for the Five Star Pharmacy in Texas (the “Abana Pharmacy”) and gave the Company a purchase option on the Abana Pharmacy in Texas. The Company exercised its purchase option for \$115,000 and purchased the Abana Pharmacy.

EMOR conducts business through its wholly and majority-owned subsidiaries, Friendly RX Master LLC (and series LLC underneath the master now and in the future), We Global BVI, Deposit.com JVA, and We Green BVI. (collectively, the “Company”). The Company is engaged in the creation, acquisition, development and deployment of ethically engineered healing technologies that have a positive impact. This includes technology that has an on impact the macro environmental challenges of our time and health technology that makes quality health care accessible to all people.

Going Concern Considerations

As reflected in the unaudited condensed consolidated financial statements, the Company has an accumulated deficit of \$142,956,395 as of March 31, 2024. These factors raise substantial doubt about its ability to continue as a going concern. The unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company may raise additional capital through the sale of its equity securities, through offerings of debt securities, or through borrowings from financial institutions. These unaudited consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted pursuant to the rules of the U.S. Securities and Exchange Commission, or the SEC. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with our unaudited condensed consolidated financial statements for the year ended March 31, 2023 and audited consolidated financial statements for the fiscal year ended March 31, 2022.

Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of the Company and all of its wholly- and majority-owned subsidiaries. All inter-company balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, equity-based transactions, revenue and expenses and disclosure of contingent liabilities in the unaudited condensed consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. As of March 31, 2024 and March 31, 2023, the Company does not have any such cash equivalents.

HEALIXA, INC. AND SUBSIDIARIES NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Business Combinations

The Company accounts for its business combinations using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the acquisition date fair values of the assets transferred and liabilities assumed by the Company to the sellers and equity instruments issued. Transaction costs directly attributable to the acquisition are expensed as incurred. Identifiable assets and liabilities acquired or assumed are measured separately at their fair values as of the acquisition date. The excess of (i) the total costs of acquisition over (ii) the fair value of the identifiable net assets of the acquiree is recorded as goodwill.

Goodwill

Goodwill represents the excess of the purchase price of the acquired business over the estimated fair value of the identifiable net assets acquired. Goodwill is not amortized but is tested for impairment at least annually at year-end, at the reporting unit level or more frequently if events or changes in circumstances indicate that the asset might be impaired. The goodwill impairment test is applied by performing a qualitative assessment before calculating the fair value of the reporting unit. If, on the basis of qualitative factors, it is considered not more likely-than-not that the fair value of the reporting unit is less than the carrying amount, further testing of goodwill for impairment would not be required. Otherwise, goodwill impairment is tested using a two-step approach.

The first step involves comparing the fair value of the reporting unit to its carrying amount. If the fair value of the reporting unit is determined to be greater than its carrying amount, there is no impairment. If the reporting unit's carrying amount is determined to be greater than the fair value, the second step must be completed to measure the amount of impairment, if any. The second step involves calculating the implied fair value of goodwill by deducting the fair value of all tangible and intangible assets, excluding goodwill, of the reporting unit from the fair value of the reporting unit as determined in step one. The implied fair value of the goodwill in this step is compared to the carrying value of goodwill. If the implied fair value of the goodwill is less than the carrying value of the goodwill, an impairment loss equivalent to the difference is recorded.

Convertible Instruments

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Original issue discounts ("OID") under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

Revenue Recognition

The Company accounts for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers. The Company evaluates the criteria outlined in ASC Topic 606, Principal Agent Considerations, in determining whether it is appropriate to record gross amount of product and services sales and related costs or the net amount earned as revenue. Generally, when the Company is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, revenue is recorded at the gross amount. If the Company is not primarily obligated and amounts earned are determined using a fixed percentage, a fixed-payment schedule, or a combination of the two, the Company generally records the net amounts as revenue earned. The Company has determined that it acts as the principal in its revenue transactions with customers.

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Revenue Streams

The Company's revenues are derived from multiple revenue stream related to the creation, acquisition, development and deployment of ethically engineered healing technologies that have a positive impact. This includes technology that has an impact on the macro environmental challenges of our time and health technology that makes quality health care accessible to all people.

Performance Obligations

The Company's contracts transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company's contracts have a single performance obligation which are not separately identifiable from other promises in the contracts and is, therefore, not distinct. The Company's performance obligation is satisfied upon the transfer of risk of loss to the customer, which occurs when the service is rendered. Revenue is recognized upon the transfer of risk of loss. The Company records provisions for estimated returns and allowances when the service is rendered.

Practical Expedient

As part of ASC 606, the Company has adopted several practical expedients including the following: (i) Company has determined that it need not adjust the promised amount of consideration for the effects of a significant financing component since the Company expects, at contract inception, that the period between when the Company transfers a promised service to the customer and when the customer pays for that service will be one year or less and (ii) the Company recognizes any incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

Contract Modifications

There were no contract modifications during the three months ended March 31, 2024. Contract modifications are not routine in the performance of the Company's contracts.

Leases

Leases in which the Company is the lessee are comprised of corporate offices. All of these leases are classified as operating leases. The Company recognizes a right of use ("ROU") asset and corresponding lease liability on its unaudited condensed consolidated balance sheets for its office operating lease agreements.

Advertising and Marketing Costs

The Company expenses advertising and marketing costs as they are incurred.

Stock Based Compensation – Non Employees

The Company issues share based payments to non-employees, officers, and board members for services performed or expected to be performed. These share based payments are measured at the grant date fair value based on the Company's stock price and are reflected in the unaudited condensed consolidated statements of operations.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the unaudited condensed consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets, including tax loss and credit carry forwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is

recognized in income in the period that includes the enactment date. A valuation allowance is recorded when it is “more likely-than-not” that deferred tax assets will not be realized.

HEALIXA, INC. AND SUBSIDIARIES NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On a regular basis, the Company evaluates the recoverability of deferred tax assets and the need for a valuation allowance. Such evaluations involve the application of significant judgment. The Company considers multiple factors in its evaluation of the need for a valuation allowance. The Company’s net deferred tax assets consist of assets related to net operating losses and credits. The Company’s net operating losses and credits have a finite life primarily based on the 20-year carryforward rule for federal net operating losses (NOLs) generated through March 31, 2024. At March 31, 2024 and March 31, 2023, the Company recorded a full valuation allowance on its deferred tax assets.

Until an appropriate level of profitability is attained, the Company expects to maintain a full valuation allowance on its deferred tax assets. Any tax benefits or tax expense recorded on its unaudited condensed consolidated statement of income will be offset with a corresponding valuation allowance until such time that the Company changes its determination related to the realization of deferred tax assets. In the event that the Company changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such a determination is made.

For uncertain tax positions that meet a “more likely-than-not” threshold, the Company recognizes the benefit of uncertain tax positions in the unaudited condensed consolidated financial statements. The Company’s practice is to recognize interest and penalties, if any, related to uncertain tax positions in income tax expense in the Unaudited Condensed Consolidated Statements of Operations.

At March 31, 2024, the Company does not believe it has any uncertain tax positions that would require either recognition or disclosure in the accompanying unaudited condensed consolidated financial statements. The Company’s 2020 to 2022 tax returns remain subject to examination by taxing authorities.

Fair Value of Financial Instruments

The carrying values of cash, accounts receivable, prepaid expenses and other current assets, right of use asset, accounts payable and accrued expenses, lease liability, stock payable, and due to affiliates approximate their fair values based on the short-term maturity of these instruments. The carrying values of the convertible debentures and loans payable approximate the estimated fair value for these financial instruments as interest approximates the Company’s incremental borrowing rate.

Net Loss per Common Share

Net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. All vested outstanding warrants are considered potentially outstanding common stock. The dilutive effect, if any, of warrants are calculated using the treasury stock method. Convertible notes are considered as if converted. Since the effect of common stock equivalents is anti-dilutive with respect to losses, the warrants and convertible securities have been excluded from the Company’s computation of net loss per common share for the three months ended March 31, 2024 and 2023.

The following table summarizes the securities that were excluded from the diluted per share calculation:

	March 31, 2024	March 31, 2023
Convertible Notes	14,111,300	10,509,027
Warrants	6,624,909	4,462,409
Total	<u>20,736,209</u>	<u>16,971,436</u>

Recent Accounting Pronouncements

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

statements.

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NOTE 3 – GOODWILL

Goodwill consists of the following:

	March 31, 2024	March 31, 2023
Beginning Balance	\$ 115,000	\$ 115,000
Acquisitions	-	-
Impairments	-	-
Total	<u>\$ 115,000</u>	<u>\$ 115,000</u>

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consists of the following:

	March 31, 2024	March 31, 2023
Accounts payable	\$ 614,520	\$ 603,925
Accrued expenses	584,394	434,393
Accrued interest	562,176	229,238
Total	<u>\$ 1,553,554</u>	<u>\$ 1,257,556</u>

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NOTE 5 – LOANS AND CONVERTIBLE DEBENTURES PAYABLE

Convertible Debentures

Since March 25, 2019, the Company sold and issued convertible debt of the Company, in the aggregate principal amount of \$5,966,650, to a total of 69 investors. The dates, principal and purchase amounts, conversion price and interest rates of such sale are set forth below.

Month of Sale	Principal Amount	Consideration Paid	Conversion Price **	Interest Rate
August 2019	\$ 5,000	\$ 5,000	\$ 0.08	6.00%
May 2019	50,000	50,000	0.10	6.00
June 2019	100,000	100,000	0.22	6.00
June 2019	400,000	400,000	0.20	6.00
July 2019	75,000	75,000	0.70	6.00
September 2020	125,000	125,000	1.00	6.00
September 2020	50,000	50,000	0.75	6.00
December 2020	250,000	200,000	1.00	8.00
February 2021	110,000	110,000	1.00	6.00
April 2021	625,000	500,000	1.00	8.00
June 2021	695,000	327,500	0.25	6.00
October 2021	125,000	125,000	0.50	12.00
November 2021	1,200,000	700,000	n/a	0.00
November 2021	160,000	20,000	0.25	6.00
November 2021	140,000	110,000	0.50	0.00
December 2021	50,000	50,000	0.25	6.00
February 2022	100,000	100,000	0.25	6.00
March 2022	200,000	200,000	0.25	6.00
April 2022	142,500	128,500	0.25	8.00
May 2022	60,000	60,000	0.25	6.00
June 2022	110,000	99,000	0.50	8.00
July 2022	525,000	400,000	0.50	8.00
August 2022	165,000	150,000	0.50	8.00
September 2022	53,000	49,000	0.50	8.00
October 2022	150,000	90,000	n/a	0.00
December 2022	143,000	130,000	0.33	8.00
January 2023	96,250	87,500	0.50	10.00
February 2023	242,500	242,500	0.10	10.00
April 2023	115,000	115,000	n/a	0.00
May 2023	342,500	330,000	0.10	10.00
July 2023	18,000	18,000	n/a	0.00
September 2023	115,000	115,000	0.10	8.00

** The conversion prices for these convertible debt instruments do not have fixed conversion rates. Rather, the conversion rates are based on the weighted average sale prices of the Company's common stock for specified periods preceding the consummation of an offering, subject to specified conversion rate minimums and maximums, which vary among such debt instruments. For purposes of the table set forth above, the conversion prices have been determined based on recent sale prices of the Company's common stock on the OTC Markets Pink trading platform and giving effect to the applicable conversion rate minimums and maximums.

Certain of the convertible notes referred to above have been converted by their respective owners (seven persons) into shares of the Company's common stock. The months of conversion, principal amounts converted, and

number of shares issued upon such conversions are set forth below.

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Month of Conversion	Principal Amount	Number of Shares Issued
December 2020	\$ 50,000	500,000
April 2021	400,000	2,000,000
April 2021	75,000	99,999
June 2021	100,000	454,545
September 2022	5,000	34,095

Unsecured Loans Payable

Unsecured loans payable consists of the following:

	March 31, 2024	March 31, 2023
September 23, 2019 Note	\$ 10,000	\$ 10,000
September 24, 2019 Note	10,000	10,000
November 11, 2022 Note	75,000	75,000
November 15, 2022 Note	50,000	50,000
April 6, 2023 Note	12,500	-
August 2, 2023 Note	85,000	-
December 18, 2023 Note	26,000	-
Total	\$ 268,500	\$ 145,000

NOTE 6 - STOCKHOLDER'S EQUITY

Capitalization

On December 28, 2018, the Company amended its Articles of Incorporation to increase the number of authorized shares to 2,100,000,000, which consists of 2,000,000,000 shares of \$0.001 par value common stock and 100,000,000 shares of \$0.001 par value preferred stock. The preferred stock can be issued in one or more series or classes at the discretion of the Board of Directors.

Common Stock

Prior to the Pura Vida reverse merger, Pura Vida issued several convertible debentures in the aggregate amount of \$440,500 to several investors, with a maturity date of June 30, 2019. The convertible debentures bore an interest rate of 6% per annum which was also payable on maturity. Amounts due under the convertible debentures may be mandatorily converted into membership units of Pura Vida upon the sale or merger of Pura Vida that resulted in more than 50% change in ownership of the membership interests of Pura Vida. Pursuant to the Pura Vida Merger Agreement the convertible debentures were converted into membership units in Pura Vida at a conversion ratio ranging from \$0.03 per membership unit to \$0.12 per membership unit. These membership units were immediately exchanged for shares in the Company's common stock pursuant to the Pura Vida Merger Agreement.

In connection with the Pura Vida convertible debentures, it was determined the convertible debentures contained a beneficial conversion feature. The beneficial conversion feature was measured using the estimated market value of the convertible debentures at the time of the Pura Vida reverse merger which was determined to be \$440,500. This amount was recorded as a debt discount and was amortized as interest expense at the time of the Pura Vida reverse merger.

On August 23, 2021, the Company and a shareholder reached an agreement whereby the Company canceled 65,000,000 shares of the Company's common stock that the shareholder received in the Pura Vida reverse merger.

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Warrants

The issuance of warrants to purchase shares of the Company's common stock are summarized as follows:

	<u>Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at April 1, 2023	3,100,000	\$ 0.84
Granted	-	-
Exercised	-	-
Expired or cancelled	-	-
Outstanding at March 31, 2024	3,100,000	\$ 0.84

The following table summarizes information about warrants outstanding and exercisable at March 31, 2024.

<u>Quarter</u>	<u>Exercise Prices</u>	<u>Outstanding Warrants</u>	<u>Weighted Average Remaining Life in Years</u>	<u>Weighted Average Exercise Price</u>	<u>Number Exercisable</u>
December 31, 2020	\$ 1.00	700,000	1.67	\$ 1.00	700,000
June 30, 2021	\$ 1.00	1,500,000	2.04	\$ 1.00	1,500,000
June 30, 2021	\$ 0.50	100,000	0.25	\$ 0.50	100,000
September 30, 2021	\$ 0.50	100,000	0.50	\$ 0.50	100,000
December 31, 2021	\$ 0.50	100,000	0.75	\$ 0.50	100,000
March 31, 2022	\$ 0.50	100,000	1.00	\$ 0.50	100,000
June 30, 2022	\$ 0.50	100,000	1.25	\$ 0.50	100,000
September 30, 2022	\$ 0.50	100,000	1.50	\$ 0.50	100,000
December 31, 2022	\$ 0.50	100,000	1.75	\$ 0.50	100,000
March 1, 2023	\$ 0.175	100,000	1.92	\$ 0.175	100,000
March 31, 2023	\$ 0.50	100,000	2.00	\$ 0.50	100,000

The expense attributed to the issuance of the warrants was recognized as they vested/earned. These warrants are exercisable for three years from grant date. All are currently exercisable.

Series A Convertible Preferred Stock

On March 2, 2020, the Company received cash proceeds of \$250,000 from an investor for the purchase of Series A Preferred Convertible Shares ("Series A Shares"), at a fair value of \$1.60 per share. During the period April 1, 2020 through September 30, 2020, the Company received an additional aggregate of \$1,072,000 from the same investor for the purchase of additional Series A Shares, at a fair value of \$1.60 per share, for a total of \$1,322,000. On September 30, 2020, the parties agreed to convert to equity under the terms of the note which resulted in the Company issuing 82,625 shares of Series A Shares to this investor.

Series B Convertible Preferred Stock

On September 23, 2021, the Company issued 60,000 shares of Series B Preferred Convertible Shares ("Series B Shares") to an officer of the Company for services provided, at a fair value of \$0.55 per share, based on the Company's common share price as the Series B Shares are convertible into common stock.

On January 12, 2022, the Company issued 4,000 shares of Series B Preferred Convertible Shares ("Series B Shares") to a consultant of the Company for services provided, at a fair value of \$0.69 per share, based on the Company's

common share price as the Series B Shares are convertible into common stock.

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On February 1, 2023, the Company issued 800 shares of Series B Preferred Convertible Shares (“Series B Shares”) to a consultant of the Company for services provided, at a fair value of \$0.16 per share, based on the Company’s common share price as the Series B Shares are convertible into common stock.

Common Stock Payable

On April 19, 2020, pursuant to the Company’s amended and restated collaboration agreement with Todos, Todos will provide various advisory services to the Company. The initial term of the collaboration agreement is five years. Upon the execution of the collaboration agreement the Company was to issue 50,000 shares of the Company’s common stock, valued at \$98,000 to Todos. As such, the Company recorded a stock payable in the amount of \$4,900 representing the fair value of services performed during the three months ended September 30, 2020. As of September 30, 2023, these shares had yet to be issued and were recorded as stock payable on the unaudited condensed consolidated balance sheets.

During the three months ended March 31, 2024, the Company did not enter into any agreements to issue common shares of the Company’s stock to various consultants and professionals as compensation for services performed.

During the three months ended March 31, 2023, the Company entered into various agreements to issue common shares of the Company’s stock to various consultants and professionals as compensation for services performed. As of March 31, 2023, the outstanding principal on the common shares was \$33,440. As of March 31, 2024, the shares have yet to be issued and were recorded as stock payable on the consolidated balance sheets.

NOTE 8 – RELATED PARTY TRANSACTIONS

Due To Affiliates

During the three months ended March 31, 2024 and 2023, certain officers received compensation for services rendered. For the three ended March 31, 2024 and 2023, the Company paid officers compensation for services rendered of \$55,845 and \$53,050, respectively.

At March 31, 2024 and March 31, 2023, due to affiliates represents loans from certain officers for working capital purposes. There are no set repayments term or provision for interest. Amounts will be repaid with excess cash flows.

NOTE 9 – LEASES

On April 1, 2021, May 10, 2021, and August 1, 2022, the Company recognized Right of Use (“ROU”) assets and lease liabilities of \$31,764, \$38,770, and \$66,220, respectively. In August 2022, the Company exited the leases entered on April 1, 2021 and May 2021 and wrote-off the unamortized ROU and lease liabilities. The Company elected to not recognize ROU assets and lease liabilities arising from short-term office leases, leases with initial terms of twelve months or less (deemed immaterial) on the unaudited condensed consolidated balance sheets.

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ROU assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The lease terms may include options to extend or terminate the lease if it is reasonably certain that the Company will exercise

that option.

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its estimated incremental borrowing rate at inception. The weighted average incremental borrowing rate applied was 5.50%. As of March 31, 2024, the Company's leases had a remaining weighted average term of 0.67 years.

Rent expense amounted to \$8,277 and \$8,972 for the three months ended March 31, 2024 and 2023, respectively.

The following table presents net lease cost and other supplemental lease information:

	Three Months Ended March 31, 2024
Lease Cost	
Operating lease cost	\$ 8,277
Short term lease cost	-
Sublease income	-
Total	<u>\$ 8,277</u>
Operating lease – operating cash flows (fixed payments)	\$ 8,277
Operating lease – operating cash flows (liability reduction)	\$ 8,728
Non-current leases – right of use assets	\$ 11,037
Current liabilities – operating lease liabilities	\$ 11,824
Non-current liabilities – operating lease liabilities	\$ -

Future minimum payments under non-cancelable leases for operating leases for the remaining terms of the leases as of March 31, 2024, are as follows:

	Operating Leases
Fiscal year	
2024	\$ 11,960
2025	-
Thereafter	-
Total future minimum lease payments	11,960
Amount representing interest	(136)
Present value of net future minimum lease payments	<u>\$ 11,824</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

From time to time, the Company may be subject to legal proceedings arising out of the ordinary course of business. Although management cannot predict the outcome of such proceedings, management does not consider such proceedings to result in a material adverse effect on its business operations, financial position or its results of operations or its cash flows.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date that the unaudited condensed consolidated financial statements were available to be issued.

No material subsequent events have been identified that would require adjustment to or disclosure in the accompanying unaudited condensed consolidated financial statements.