

LIVECARE, INC.

A Delaware Corporation

1500 East Venice Avenue, Suite 411, Venice, Florida 94292

Telephone: (800) 345-0491

Website: LiveCareHealth.com

Company Email: mrockwell@livecarehealth.com

Annual Report

For the Period Ending: December 31, 2023
(the "Reporting Period")

As of December 31, 2023, the number of shares outstanding of our Common Stock was **50,875,398**

As of December 31, 2023, the number of shares outstanding of our Common Stock was **50,875,398**

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and 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 of Control

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes **No**

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

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

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

The current name of the issuer is LiveCare, Inc.

The Company was incorporated as GULF CHRONIC CARE, INC. in the state of Delaware on July 10, 2018.

The Company changed its name to LIVECARE, INC. on August 22, 2019.

Current State and Date of Incorporation or Registration: **Delaware, July 10, 2018**

Standing in this jurisdiction: **active and in good standing**

Prior incorporation information for the issuer and any predecessors during the past five years:

The Company was incorporated as GULF CHRONIC CARE, INC. in the state of Delaware on July 10, 2018.

The Company changed its name to LIVECARE, INC. on August 22, 2019.

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

None

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

None in the past 12 months.

Address of the issuer's principal executive office:

**1500 East Venice Avenue, Suite 411
Venice, Florida 94292**

Address of the issuer's principal place of business:

Same as principal executive office

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

No Yes

2) Security Information

Transfer Agent

Name: ClearTrust, LLC
Phone: (813) 235-4490
Email: inbox@cleartrusttransfer.com
Address: 16540 Pointe Village, Suite 210, Lutz, Florida 33558

Publicly Quoted or Traded Securities:

Trading symbol: LVCE
Exact title and class of securities outstanding: Common Stock
CUSIP: 53814W104
Par or stated value: \$0.001
Total shares authorized: 100,000,000 as of December 31, 2023
Total shares outstanding: 50,875,398 as of May 28, 2024
Total number of shareholders of record: 363 as of May 28, 2024

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

Exact title and class of security: Convertible Series A Preferred Stock
Par or stated value: \$0.001
Total shares authorized: 50,000,000 as of December 31, 2023
Total shares outstanding: 27,000,000 as of December 31, 2023
Number of shareholders of record: 3

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.

The common stock has one vote per share.

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

The preferred stock has voting rights of 100 votes per share. It has no liquidation or conversion rights.

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

No other material rights.

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

None.

3) Issuance History

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

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

A. Changes to the Number of Outstanding

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 Opening Balance

Date: **1/1/2022** Common: 34,943,463
Preferred: 27,000,000

Date of Transaction	Transaction type	Number of Shares Issued (or Cancelled)	Class of Securities	Value of shares issued (\$ per Share) at Issuance	Were shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/Entity shares were Issued to	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
4/8/2022	new issuance	75,000	common	1.00	NO	LISA WERNER	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	75,000	common	1.00	NO	MATT JAMISON	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	151,000	common	1.00	NO	STEVEN ROSENBERG	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	2,000	common	1.00	NO	BREANNA JAMISON	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	20,000	common	1.00	NO	DEANNA LAIKEN	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	JACKIE ZAGRANS	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	2,500	common	1.00	NO	LAURA MOTTER	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	10,000	common	1.00	NO	AMY BISCHOFF	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	15,000	common	1.00	NO	GARY HORSLEY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	500	common	1.00	NO	ADAM ROSENBERG	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	500	common	1.00	NO	EMILY ROSENBERG	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	NANCY MUSCI	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,500	common	1.00	NO	MEREDITH STITKO	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	2,000	common	1.00	NO	NADIA JAMISON	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975

4/8/2022	new issuance	50,000	common	1.00	NO	STEVEN HANDLEY TRUSTEE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	25,000	common	1.00	NO	JAMES OGLETREE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	10,000	common	1.00	NO	MATT SLAIGHT	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	10,000	common	1.00	NO	REBECCA SLAIGHT	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	25,000	common	1.00	NO	WEIS CHOICE LLC	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	46,000	common	1.00	NO	DAVID WRIGHT	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	MELANIE WRIGHT	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	DAVID WRIGHT AS CUSTODIAN FOR	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	DAVID WRIGHT AS CUSTODIAN FOR	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	1,000	common	1.00	NO	DAVID WRIGHT AS CUSTODIAN FOR	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	50,000	common	1.00	NO	ED SORKIN	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
4/8/2022	new issuance	57,700	common	1.00	NO	UTZ VENTURES LLC	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	5,000	common	1.00	NO	DEREK DRECHSLER	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	100,000	common	1.00	NO	MICHAEL HESS	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	100,000	common	1.00	NO	PAREENA BILKOO	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	25,000	common	1.00	NO	CHARLES PETITFRERE	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	500,000	common	1.00	NO	JOHN ELWIN	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	5,000	common	1.00	NO	KARLA MOELLER	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	101,999	common	1.00	NO	DAVID WIZNITZER	Revenue Share Conversion	Restricted	
4/8/2022	new issuance	30,000	common	1.00	NO	ALAN FINKLESTEIN	Revenue Share Conversion	Restricted	
4/8/2022	new issuance	200,000	common	1.00	NO	DANIEL CRANE	2022-062 stock issued for services-consulting	Restricted	
4/8/2022	new issuance	15,000	common	1.00	NO	SCOTT KIMCHE	2022-062 stock issued for services-consulting	Restricted	
6/3/2022	new issuance	160,970	common	1.00	NO	LYNN BRIGMAN & DAVID BRIGMAN JTWROS	Common stock issued for services	Restricted	
6/3/2022	new issuance	204,756	common	1.00	NO	UTZ VENTURES LLC	Common stock issued for services	Restricted	
6/3/2022	new issuance	4,000	common	1.00	NO	RAFAEL GONZALES	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	9,360	common	1.00	NO	MARIA CEDENA	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	25,000	common	1.00	NO	TOM FITZGERALD	2022-074 stock issued for services	Restricted	
6/3/2022	new issuance	200	common	1.00	NO	VIRGINIA ROCKWELL	2022-074 stock issued for services	Restricted	
6/3/2022	new issuance	11,200	common	1.00	NO	JEFF UTZ	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	11,200	common	1.00	NO	ALAN WHEATLEY	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	50,000	common	1.00	NO	RAY VOLLANTINE	2022-074 stock issued for services	Restricted	
6/3/2022	new issuance	16,800	common	1.00	NO	JOSEPH LABARBERA MD	Common stock issued for services	Restricted	

6/3/2022	new issuance	12,000	common	1.00	NO	ROBERT SEGUSO	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	12,000	common	1.00	NO	BRAD KROENIG	Debt Inducement 2021	Restricted	
6/3/2022	new issuance	18,000	common	1.00	NO	DANE SHAE	Common stock issued for services	Restricted	
6/3/2022	new issuance	2,500	common	1.00	NO	BRANDON RHODES	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	2,500	common	1.00	NO	KATELYN RHODES	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	250,000	common	1.00	NO	DOUG LOWERY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	238,000	common	1.00	NO	ROMAN LOWERY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	100	common	1.00	NO	LINH GRACE MCHENRY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	100	common	1.00	NO	TAI THOMAS MCHENRY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	1,000	common	1.00	NO	JOHN DALTON	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	5,000	common	1.00	NO	ANNE POPE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	10,000	common	1.00	NO	TERRY OUTZEN	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	250	common	1.00	NO	KIMBERLY MCCLINCH	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	1,000	common	1.00	NO	GREG RITCHIE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	5,000	common	1.00	NO	PHILIP RITCHIE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	500	common	1.00	NO	WENDY ELDRIDGE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	50,000	common	1.00	NO	LYNN BRIGMAN & DAVID BRIGMAN JTWROS	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	9,500	common	1.00	NO	KEVIN MARTO	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	400,000	common	1.00	NO	BONNIE STEWART	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	50,000	common	1.00	NO	ART BEDWAY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	25,000	common	1.00	NO	COLLEEN BEDWAY	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	12,000	common	1.00	NO	MICHELLE DAVIS	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	100,000	common	1.00	NO	ANNE GREENBERG	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	200,000	common	1.00	NO	MARK KNAIER	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	60,000	common	1.00	NO	KEN FROMER	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	10,000	common	1.00	NO	TERRY PRIDEMORE & SANDRA PRIDEMORE	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
6/3/2022	new issuance	20,000	common	1.00	NO	DAVID RHODES	Issued for Cash	Restricted	REG-A QUALIFIED 06/23/2021 FILE 024-10975
7/13/2022	new issuance	25,000	common	1.00	NO	DAVID WRIGHT	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	PETER BLACK	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	75,000	common	1.00	NO	CODY HUNTER	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914

7/13/2022	new issuance	25,000	common	1.00	NO	THERESE STEVENS	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	60,000	common	1.00	NO	CRAIG BREWER	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	100,000	common	1.00	NO	ERIN BOTSFORD	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	5,200	common	1.00	NO	DAVID PELCHEN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	250,000	common	1.00	NO	DANIEL AULTMAN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	JAMES DORSEY	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	10,000	common	1.00	NO	DEREK AULTMAN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	DEREK BERSET	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	5,000	common	1.00	NO	DAVID SHIPPS	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	100,000	common	1.00	NO	RONALD CARR	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	12,900	common	1.00	NO	ALEC RUBIN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	500	common	1.00	NO	ELAINE MAHON-TODD	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	40,000	common	1.00	NO	KERI ANDERSON	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	150,000	common	1.00	NO	WILLIAM ROQUEMORE	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	THEODORE L UNKEL	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	7,000	common	1.00	NO	SANDIP PATEL	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	12,000	common	1.00	NO	TODD LINDQUIST	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	500	common	1.00	NO	SOFIA DOLMANET	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	PARNON INVESTMENTS LLC	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	MARK GOLDSTEIN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	STEPHEN MILLER	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	F&H INVESTMENTS LP	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	5,000	common	1.00	NO	JAY MAGENHEIM	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	50,000	common	1.00	NO	RAMON GARCIA	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	RUSTY ROSENTHAL	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	WESLEY ROSENTHAL	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	JERRY POPE	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	25,000	common	1.00	NO	SOL MICHAEL FISER	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
7/13/2022	new issuance	20,000	common	1.00	NO	KINGSTON PARTNERS LLC	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914

7/13/2022	new issuance	20,000	common	1.00	NO	MICHAEL STONE	debt inducement	Restricted
7/13/2022	new issuance	100,000	common	1.00	NO	PAREENA BILKOO	Common stock issued for services	Restricted
7/13/2022	new issuance	15,000	common	1.00	NO	PRIYA CRANE	Employee	Restricted
8/26/2022	new issuance	1,000,000	common	1.00	NO	CORNELIUS MAX ROCKWELL	Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	1,000,000	common	1.00	NO	DAVID VEGA	Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	1,000,000	common	1.00	NO	JAMES DALTON	Executive Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	1,000,000	common	1.00	NO	JJB HOLDINGS, LLC	Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	75,000	common	1.00	NO	KARLA MOELLER	Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	75,000	common	1.00	NO	KIMBERLY ROCKWELL	Employee -BOD minutes 7/19/23	Restricted
8/26/2022	new issuance	50,000	common	1.00	NO	PRIYA CRANE	Employee -BOD minutes 7/19/23	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	KARLA MOELLER	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	AUDREY TALARICO	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	PRIYA CRANE	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	HANNAH WEXLER	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	MARCOS ALFANO	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	HEIDI HENRIKSON	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	DENISE FLYNN	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	KIMBERLY ENGLISH	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	DEB HOUCK	Employee	Restricted
8/31/2022	new issuance	1,000	common	1.00	NO	TY'ANNA RICHARDSON	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	SUNNY PATTEN	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	TODD LINDQUIST	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	RYAN CALLAHAN	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	DIANE RAE	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	IAN NOKES	Employee	Restricted
8/31/2022	new issuance	1,000	common	1.00	NO	MICHAEL JAMES	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	REMY REYNOLDS	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	ALICIA SPRAGUE	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	LOREN WOOD	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	ERIK ROZANSKI	Employee	Restricted
8/31/2022	new issuance	2,000	common	1.00	NO	KEVIN ALI	Employee	Restricted
8/31/2022	new issuance	25,000	common	1.00	NO	DAVID GRAY	Employee	Restricted
8/31/2022	new issuance	50,000	common	1.00	NO	KEN FROMER	Issued for Cash	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	ABIGAIL ADAMS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	MARCOS ALFANO	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	RANAE BALDI	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	RYAN CALLAHAN	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	PRIYA CRANE	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	WILL DECATUR	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	MONET DEEMS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	KIMBERLY ENGLISH MORITZ	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	DENISE FLYNN	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	ANITA FREEMAN	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	LORI FREITAS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	REGINA GAPIN	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	TYLER GRADY	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	CARLY HAWKINS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	HEIDI HENRIKSON	Employee	Restricted

REG-A QUALIFIED
07/06/2022 FILE 024-11914

11/29/2022	new issuance	1,000	common	1.00	NO	DEBORAH HOUCK	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	BRYANNA LEWIS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	TODD LINDQUIST	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	KARLA MOELLER	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	IAN NOKES	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	JOSHUA OBERHOLTZER	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	CHALEMAYIHES PETITFRERE	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	DIANE RAE	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	REMY REYNOLDS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	HEIDI SAUSSER	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	JENNIFER SHAFFER	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	PATRICIA SIMONDS	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	LUCYHELENA SOMARRIBA	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	ALICIA SPRAGUE	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	AUDREY TALARICO	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	LINDA TAMBONE	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	ANTONNIA VEROST	Employee	Restricted
11/29/2022	new issuance	1,000	common	1.00	NO	DEBBIE WILKIE	Employee	Restricted

Shares Outstanding Balance at End of Period

Date:	12/31/2022	Common:	44,534,198
		Preferred:	27,000,000
			34,943,463 beginning
			9,590,735 issued in
			2022
			44,534,198 balance at
			end of year

Shares Outstanding Opening Balance

Date:	1/1/2023	Common:	44,534,198
		Preferred:	27,000,000

Date of Transaction	Transaction type	Number of Shares Issued (or Cancelled)	Class of Securities	Value of shares issued at Issuance (\$ per Share)	Were shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/Entity shares were Issued to	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
1/10/2023	new issuance	100,000	common	1.00	NO	PETER L HAGLIN & JENNIFER L HAGLIN	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
1/10/2023	new issuance	11,000	common	1.00	NO	MICHAEL STONE	Issued for Cash	Restricted	REG-A QUALIFIED 07/06/2022 FILE 024-11914
1/10/2023	new issuance	5,000	common	1.00	NO	CARLY HAWKINS	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	RANAE BALDI	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	REGINA GAPIN	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	ANTONNIA VEROST	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	JESSICA BRUNETTE	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	CHRIS OLSON	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	ROBERT KEENAN	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	VANESSA CARUSONE	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	REMY REYNOLDS	severance	Restricted	
1/10/2023	new issuance	5,000	common	1.00	NO	GLORIA BURNETTE	severance	Restricted	

1/10/2023	new issuance	5,000	common	1.00	NO	ARMAND KOLBERG	severance	Restricted
1/10/2023	new issuance	5,000	common	1.00	NO	LOREN WOOD	severance	Restricted
1/10/2023	new issuance	5,000	common	1.00	NO	ABIGAIL ADAMS	severance	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	DENISE FLYNN	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	HEIDI HENRIKSON	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	KARLA MOELLER	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	AUDREY TALARICO	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	DIANE RAE	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	MARCOS ALFANO	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	TODD LINDQUIST	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	RYAN CALLAHAN	employee - bonus	Restricted
1/10/2023	new issuance	52,000	common	1.00	NO	PRIYA CRANE	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	KIMBERLY ENGLISH	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	DEB HOUCK	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	IAN NOKES	employee - bonus	Restricted
1/10/2023	new issuance	1,000	common	1.00	NO	ALICIA SPRAGUE	employee - bonus	Restricted
1/10/2023	new issuance	25,000	common	1.00	NO	THORSON ROCKWELL	agreement	Restricted
1/10/2023	new issuance	100,000	common	1.00	NO	BEVERLY CARTER	consultant	Restricted
1/10/2023	new issuance	45,000	common	1.00	NO	MATTHEW GERNSTADT	consultant	Restricted
1/10/2023	new issuance	300,000	common	1.00	NO	JEFF GREENE	debt inducement	Restricted
1/10/2023	new issuance	145,000	common	1.00	NO	JEFF UTZ	consultant	Restricted
1/10/2023	new issuance	50,000	common	1.00	NO	CHARLES PETITFRERE	employee	Restricted
1/10/2023	new issuance	11,000	common	1.00	NO	MICHAEL STONE	conversion	Restricted
1/10/2023	new issuance	1,000,000	common	1.00	NO	ROBERT SIMPSON III	debt inducement	Restricted
1/10/2023	new issuance	200,000	common	1.00	NO	JOHN ELWIN	employee	Restricted
1/10/2023	new issuance	200,000	common	1.00	NO	MARK PAPE	employee	Restricted
1/10/2023	new issuance	500	common	1.00	NO	EMMA SMITH	employee - bonus	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	DAVID LANTER	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	F&H INVESTMENTS L.P.	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	FRED GUMBINNER TTEE	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	30,000	common	1.00	NO	JAY MAGENHEIM	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	45,000	common	1.00	NO	LAWRENCE GRAY	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	PARNON INVESTMENTS LLC	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	MARK GOLDSTEIN	consultant-this is fee for bundling the GEM 2023 notes	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	RAMON GARCIA	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	RICHARD SILVA	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	RUSSELL H ROSENTHAL	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	STEPHEN MILLER	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	WESLEY ROSENTHAL	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	JERRY POPE	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	JADAY INVESTMENTS LLC	debt inducement for the GEM 2023 notes payable	Restricted
4/26/2023	new issuance	25,000	common	1.00	NO	RICHARD ROSENTHAL	debt inducement for the GEM 2023 notes payable	Restricted

4/26/2023	new issuance	200,000	common	1.00	NO	MEYERS INVESTMENTS FAMILY LP	consultant	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	ALICIA SPRAGUE	1 year anniversary shares	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	AUDREY TALARICO	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	DENISE FLYNN	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	1,000	common	1.00	NO	DIANE RAE	90 days shares	Restricted
4/26/2023	new issuance	12,000	common	1.00	NO	HEIDI HENRIKSON	90 days shares (we owe her 1 from previous) plus 1 year	Restricted
4/26/2023	new issuance	10,000	common	1.00	NO	REMY REYNOLDS	1 year anniversary shares	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	RYAN CALLAHAN	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	TODD LINDQUIST	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	DEB HOUCK	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	213,000	common	1.00	NO	KARLA MOELLER	90 days + 2 years + 1 year	Restricted
4/26/2023	new issuance	197,000	common	1.00	NO	PRIYA CRANE	90 days + 2 years + 1 year	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	KIMBERLY ENGLISH	90 days + 1 year anniversary	Restricted
4/26/2023	new issuance	11,000	common	1.00	NO	IAN NOKES	90 days shares	Restricted
4/26/2023	new issuance	1,000	common	1.00	NO	MARCOS ALFANO	90 days shares	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	RAGUEL JORDAN	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	JESSICA ALBANES	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	JAMIE LOU SANDERS	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	KADEJHA RAYGEAN ANDERSON	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	SHANNA MELANIE EMILECA	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	KAYLA GRIFFITHS	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	THARYANA GUZMAN	Bonus	Restricted
4/26/2023	new issuance	2,000	common	1.00	NO	SUSAN ASHLEY SINSHEIMER	Bonus	Restricted
4/26/2023	new issuance	200,000	common	1.00	NO	CHARLES PETITFRERE	Bonus	Restricted
4/26/2023	new issuance	100,000	common	1.00	NO	ROBERT SIMPSON III	debt extension - since debt overdue, this is bonus	Restricted
4/26/2023	new issuance	50,000	common	1.00	NO	HECTOR CINTRON MORALES	Consultant	Restricted
4/26/2023	new issuance	208,000	common	1.00	NO	MET FLORIDA	Employee	Restricted
4/26/2023	new issuance	200,000	common	1.00	NO	MARK PAPE	Employee	Restricted
5/23/2023	new issuance	(300,000)	common	1.00	NO	TIM TOPP	treasury repurchase	Restricted
5/23/2023	new issuance	65,000	common	1.00	NO	Craig Brewer	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	50,000	common	1.00	NO	Mathew Jamison	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	18,000	common	1.00	NO	Leah Simon	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	10,000	common	1.00	NO	Stephanie Healey	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	5,000	common	1.00	NO	Brittany Paul	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	5,000	common	1.00	NO	Beth Wright-Archer	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	2,000	common	1.00	NO	Heidi Henrikson	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	500	common	1.00	NO	Riley Mott	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	500	common	1.00	NO	Hayden Cormier	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	500	common	1.00	NO	Callie Cormier	transferred from Tim Topp - purchased for cash	Restricted
5/23/2023	new issuance	250	common	1.00	NO	Emmeline Sims	transferred from Tim Topp - purchased for cash	Restricted

5/23/2023	new issuance	250	common	1.00	NO	Amelia Sims	transferred from Tim Topp - purchased for cash	Restricted	
5/23/2023	new issuance	100,000	common	1.00	NO	ROBERT SIMPSON III	debt extension - since debt overdue, this is bonus	Restricted	
11/29/2023	new issuance	25,000	common	1.00	NO	F & H Investments LP	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Rusty Rosenthal	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Richard Rosenthal	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Wesley Rosenthal	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	25,000	common	1.00	NO	Ramon Garcia	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	25,000	common	1.00	NO	Parnon Investments LLC	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	25,000	common	1.00	NO	Jim Day	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	15,000	common	1.00	NO	Jay Magenheim	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Fred Gumbinner	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Jerry Pope	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	Stephen Miller PSP	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	25,000	common	1.00	NO	Richard Silva	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	22,500	common	1.00	NO	Larry Gray	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	12,500	common	1.00	NO	David Lanter	debt extension bonus- GEM 2023 notes payable	Restricted	
11/29/2023	new issuance	15,000	common	1.00	NO	Retated Michael F Stone convertible debtt	debt inducement	Restricted	
11/29/2023	new issuance	100,000	common	1.00	NO	Erin Botsford	Issued for Cash	Restricted	Purchase - Reg A JACK CONFIRM
11/29/2023	new issuance	3,200	common	1.00	NO	Nancy Sloan	Issued for Cash	Restricted	Purchase - Reg A JACK CONFIRM
11/29/2023	new issuance	500	common	1.00	NO	Marlain Keller	Issued for Cash	Restricted	Purchase - Reg A JACK CONFIRM
11/29/2023	new issuance	10,000	common	1.00	NO	Yacoub Aldoub (cash recd 7/31/23)	Issued for Cash	Restricted	Purchase - Reg D - Restricted
11/29/2023	new issuance	10,000	common	1.00	NO	Yacoub Aldoub (see consulting agmt 7/23/23)	consultant	Restricted	
11/29/2023	new issuance	10,000	common	1.00	NO	Talal Aldoub (see above cash recd 6/5/23)	Issued for Cash	Restricted	Purchase - Reg D - Restricted
11/29/2023	new issuance	10,000	common	1.00	NO	Talal Aldoub (see consulting agmt 5/26/23)	consultant	Restricted	
11/29/2023	new issuance	50,000	common	1.00	NO	Ken Fromer (cash recd 9/25/23)	Issued for Cash	Restricted	Purchase - Reg D - Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Abigail Adams	employee bonus	Restricted	
11/29/2023	new issuance	1,000	common	1.00	NO	Alicia Sprague	employee bonus	Restricted	
11/29/2023	new issuance	11,000	common	1.00	NO	Anita Freeman	employee bonus	Restricted	
11/29/2023	new issuance	11,000	common	1.00	NO	Antonnia Verost	employee bonus	Restricted	
11/29/2023	new issuance	1,000	common	1.00	NO	Cindy Pedro	employee bonus	Restricted	
11/29/2023	new issuance	1,000	common	1.00	NO	Cristan Ort	employee bonus	Restricted	
11/29/2023	new issuance	11,000	common	1.00	NO	Debbie Wilkie	employee bonus	Restricted	
11/29/2023	new issuance	11,000	common	1.00	NO	Diamond Thompson	employee bonus	Restricted	

11/29/2023	new issuance	1,000	common	1.00	NO	Diane Rae	employee bonus	Restricted
11/29/2023	new issuance	1,000	common	1.00	NO	Heidi Henrikson	employee bonus	Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Jamie Feldmann	employee bonus	Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Joshua Oberholtzer	employee bonus	Restricted
11/29/2023	new issuance	26,000	common	1.00	NO	Kimberly English-Moritz	employee bonus	Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Lucyhelena Somarriba	employee bonus	Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Regina Gapin	employee bonus	Restricted
11/29/2023	new issuance	1,000	common	1.00	NO	Remy Reynolds	employee bonus	Restricted
11/29/2023	new issuance	1,000	common	1.00	NO	Ryan Callahan	employee bonus	Restricted
11/29/2023	new issuance	1,000	common	1.00	NO	Susana Simonetta	employee bonus	Restricted
11/29/2023	new issuance	11,000	common	1.00	NO	Tyler Grady	employee bonus	Restricted
11/29/2023	new issuance	600,000	common	1.00	NO	Mark Pape	employee bonus	Restricted
11/29/2023	new issuance	200,000	common	1.00	NO	Aetero Inc.	consultant	Restricted
11/29/2023	new issuance	25,000	common	1.00	NO	Usman Ali	consultant	Restricted
11/29/2023	new issuance	50,000	common	1.00	NO	Stacie Herman	consultant	Restricted
11/17/2023	new issuance	94,000	common	1.00	NO	Timothy Topp	debt inducement	Restricted
4/26/2023	new issuance	100,000	common	1.00	NO	PETER L HAGLIN & JENNIFER L HAGLIN	debt inducement	Restricted
4/26/2023	new issuance	150,000	common	1.00	NO	VINCE SCOTT	debt inducement	Restricted
5/23/2023	new issuance	50,000	common	1.00	NO	RAMON GARCIA	debt extension	Restricted

Shares Outstanding Balance at End of Period

Date:	12/31/2023	Common:	50,875,398
		Preferred:	27,000,000
			44,534,198 beginning
			6,341,200 issued in 2023
			50,875,398 balance at end of year

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

NOTE: The following are the control persons for the corporate shareholders listed above:

Shareholder

Weis Choice LLC
 Utz Ventures LLC
 Parnon Investments LLC
 F&H Investments LP
 Kingston Partners LLC
 JJB Holdings LLP

Control Person

Steve Weis
 Jeffrey Utz
 Hank Bowis
 Mark Goldstein
 Ken Fromer
 Julie Brannelly

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' equity securities: No Yes

As of December 31, 2023

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	Reason for issuance (e.g. loan, services, etc.)
CONVERTIBLE DEBT							
6/16/2023	450,000.00	300,000.00	150,000.00	6/16/2024	convertible at 1/sh per \$1 of total P&I	Jacob Wiznitzer (Note #1)	Loan
9/15/2023	300,000.00	200,000.00	100,000.00	9/14/2024	convertible at 1/sh per \$1 of total P&I	Jacob Wiznitzer (Note #2)	Loan
11/9/2023	53,000.00	50,000.00	3,000.00	5/17/2024	convertible at 1/sh per \$1 of total P&I	Ken Fromer	Loan
6/16/2023	45,000.00	30,000.00	15,000.00	6/16/2024	convertible at 1/sh per \$1 of total P&I	Michael Stone	Loan
	848,000.00	Total Convertible Debt at:		12/31/2023			
PROMISSORY NOTES							
11/9/2022	958,333.32	1,000,000.00	150,000.00	12/30/2023	Not convertible	Robert Simpson III	Loan
4/6/2023	25,000.00	25,000.00	non-interest	4/30/2023	Not convertible	Tim Topp	Loan
12/28/2022	613,200.00	500,000.00	190,000.00	3/31/2025	Not convertible	GEM, LLC-2023 - Mark Goldstein is responsible	Loan
12/6/2023	326,020.36	250,000.00	105,000.00	7/31/2024	Not convertible	Clearview Financing #1-Mohid Faradi is responsible	Loan
12/8/2023	15,000.00	15,000.00	non-interest	9/30/2023	Not convertible	Michael Stone	Loan
11/8/2023	345,000.00	300,000.00	45,000.00	3/31/2023	Not convertible	Jeff Greene	Loan
	2,282,553.68	Total Promissory Debt at:		12/31/2023			

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

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")

LiveCare is seeking to become the market leader in remote patient monitoring telemedicine by combining the necessary testing hardware with a more impactful resource: regular guidance and encouragement from competent, friendly medical professionals. The Company recruits doctors, certified diabetes educators (CDEs), registered nurses, nursing assistants, nutritionists, and even physical therapists. LiveCare is filling the need for personalized healthcare by trained personnel and a platform that regularly and directly communicates with the patient.

- B. Describe any subsidiaries, parents, or affiliated companies.

During 2020, LiveCare management entered into a Management Service Agreement ("MSA") with a related party medical service provider, LiveCare FL, an affiliate entity with common management. The MSA requires LiveCare to render business development, marketing, management and administrative services management for LiveCare FL's telemedicine and remote patient monitoring business in exchange for a 95% fixed fee of amounts collected. Under the MSA, LiveCare is to reimburse or provide all of the personnel and external firms for management of billing and collections functions for its remote diabetic monitoring business.

LiveCare has determined it is the primary beneficiary of LiveCare FL due to the MSA terms granting LiveCare management the power to manage and make decisions that affect LiveCare FL operations as well as LiveCare being the primary beneficiary of the LiveCare FL as a result of its requirement to cover expenses and absorb losses of LiveCare FL's only business activity.

As the primary beneficiary of LiveCare FL, LiveCare consolidates LiveCare FL in the consolidated financial statements and all intercompany balances and transactions are eliminated.

We evaluate our relationship with LiveCare FL on an ongoing basis to ensure that we continue to be the primary beneficiary.

Assets of LiveCare FL included in the consolidated balance sheet as of December 31, 2023 consisted of cash totaling \$3,094 after elimination of intercompany transactions and balances and there were no outstanding liabilities. Revenues for LiveCare FL for the year ended December 31, 2023 were \$3,827,785 and all expenses of LiveCare FL were incurred by and paid by LiveCare as provided by the MSA.

- C. Describe the issuers' principal products or services, and their markets

LiveCare provides remote patient monitoring telemedicine, providing personalized healthcare by trained personnel through a platform that regularly and directly communicates with the patient.

Currently, the Company's services are offered principally in the states of Florida, Texas, California, Ohio, Indiana, Maryland and New York.

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.

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.

LiveCare has operating leases for a total of approximately 4,413 square feet of executive office space in Venice, Florida. The leases are for one year with two additional one-year lease options that management does not presently intend to utilize. The leases call for total monthly lease payments of \$7,833.

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 shareholders.

Names of all Officers, Directors and Control Persons	Affiliation with Company	Residential Address	Number of Shares Owned	Share type/class	Ownership Percentage of Class Outstanding	Names of control persons if a corporate entity
James J. Dalton	Director, Chairman	1245 East Foxcrest Drive Park City UT 84098	5,000,000	Common	8.8%	
Cornelius Max Rockwell	Director and CEO	158 Medici Terrace Nokomis FL 34275	5,000,000	Common	8.8%	
JJB Holdings, LLC	Director	1378 E. Martha Dunyon Cir. Draper UT 84020	4,000,000	Common	7.9%	Julie Brannelly
			9,000,000	Preferred	33.3%	
Fera Al Kandari	Director	Block 3, Street 33, house 34 Nuzha Kuwait	2,630,000	Common	5.2%	
K. Jeffery Greene	Director	17 Elk Trail Asheville NC 28804	3,312,000	Common	6.5%	

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as 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 of conviction in a criminal proceeding or pleas agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

No

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, or banking activities;

No

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, or 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;

No

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

No

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.

No

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.

No

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 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.

On or about March 30, 2023, we received a civil investigation demand ("CID") from the U.S. Attorney's Office for the Middle District of Florida (the "Department of Justice") pursuant to the False Claims Act, 31 U.S.C. §§ 3729-3733 in connection with a False Claims Act investigation. The investigation concerns a wide variety of subject matters, including certain past billing practices that LiveCare engaged in providing telemedicine monitoring and health coaching services reimbursed by federal health care programs.

As of the date hereof, we have responded promptly to the information and documents sought in the CID and have otherwise fully cooperated with the Department of Justice concerning the investigation. We are unable to express a view at this time regarding the likely duration, or ultimate outcome, of the investigation or estimate the possibility of, or amount or range of, any possible financial impact. Depending on the outcome of the investigation, there may be a material impact on our business, results of operations, or financial condition.

While we enter into debt agreements in good faith, as a start-up company with operations that have not yet achieved stable profitability, we have not always been able to make principal and interest payments in the amounts or on the dates required in the debt agreements. In those situations, we work closely with the lenders to re-negotiate the terms of the debt or to obtain debt extensions or deferrals. Generally, the lenders have been

willing to cooperate with us in return for additional compensation in the form of grants of our common stock or increased interest rates. However, that may not always be the case in the future and we can provide no assurance that we will be able to avoid litigation with lenders resulting from our inability to make debt service payments on a timely basis.

As of the date hereof, we are in arbitration proceedings with one lender to whom we are in default under the terms of the original debt agreement. We are unable to express a view at this time regarding the likely duration, or ultimate outcome, of the arbitration proceeding or estimate the possibility of, or amount or range of, any possible financial impact. Depending on the outcome of the arbitration, there may be a material impact on our business, results of operations, or financial condition.

LiveCare is currently in negotiations with some previous vendors regarding disputes over outstanding balances due. We have cancelled the services of those vendors and do not believe that we owe the amounts represented by those vendors. We do not expect to pay more than has been recorded as accounts payable and previously expensed.

8) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: **None**

Address 1:

Address 2:

Phone:

Email:

Accountant or Auditor

Name: **None**

Address 1:

Address 2:

Phone:

Email:

Investor Relations

Name: **None**

Firm:

Address 1:

Address 2:

Phone:

Email:

All other means of Investor Communications: **NONE**

X (Twitter):

Discord:

LinkedIn:

Facebook:

Other:

Other Service Providers

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

Name:

Firm:

Nature of Services:

Address 1:

Address 2:

Phone:

Email:

9) Disclosure and Financial Information

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

Name: **Mark Pape**
Title: **Senior Accountant**
Relationship to Issuer: **Employee**

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

U.S. GAAP

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

Name: **Mark Pape**
Title: **Senior Accountant**
Relationship to Issuer: **Employee**

Describe the qualifications of the person or persons who prepared the financial statements:

Mr. Pape is a licensed CPA (Texas certificate #022149) in good standing.

Provide the financial statements described below for the most recent fiscal year or quarter.

- Audit letter, if audited: **Not Applicable**
- Balance sheet;
- Statement of income;
- Statement of cash flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity);
- Financial notes

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, C. Max Rockwell, certify that:

1. I have reviewed this Disclosure Statement of LiveCare, 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.

Date:

/s/ [C. Max Rockwell]

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

Principal Financial Officer:

I, C. Max Rockwell, certify that:

1. I have reviewed this Disclosure Statement of LiveCare, 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.

Date:

/s/ [C. Max Rockwell]

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

LIVECARE, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

	For the Year Ended	
	December 31,	
	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash	\$ 97,008	\$ 2,599,718
Common stock subscriptions receivable	2,700	—
Accounts receivable	479,745	371,040
Receivable from officers and directors	317,689	9,825
Prepaid expenses and deposits	26,403	12,963
Total current assets	<u>923,545</u>	<u>2,993,546</u>
Long-term Assets:		
Software and software development, net	18,674	56,021
Furniture, fixtures, and equipment, net	10,694	17,559
Total long-term assets, net	<u>29,368</u>	<u>73,580</u>
Total Assets	<u>\$ 952,913</u>	<u>\$ 3,067,126</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,156,788	\$ 599,546
Accounts payable due to related party	—	210,972
Accrued wages, related party	128,510	77,483
Common stock shares to be issued	199,167	315,700
Convertible notes, net, current portion	582,903	—
Notes payable and other debt, net, current portion	1,767,481	1,188,437
Total current liabilities	<u>3,834,849</u>	<u>2,392,138</u>
Long-term Liabilities:		
Notes payable and other debt, net, long-term portion	140,645	175,543
Total long-term liabilities	<u>140,645</u>	<u>175,543</u>
Stockholders' Equity (Deficit):		
Preferred stock; \$0.001 par value, 50,000,000 shares authorized, 27,000,000 shares issued and outstanding	27,000	27,000
Common stock; \$0.001 par value, 100,000,000 shares authorized, 50,875,398 and 47,000,698 shares issued and outstanding, respectively	50,875	47,001
Treasury stock	—	(300,000)
Additional paid-in capital	33,925,971	30,312,146
Common stock subscriptions receivable	—	(2,000)
Accumulated deficit	(37,026,427)	(29,584,702)
Total stockholders' equity (deficit)	<u>(3,022,581)</u>	<u>499,445</u>
Total Liabilities and Stockholders' Equity (Deficit)	<u>\$ 952,913</u>	<u>\$ 3,067,126</u>

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

LIVECARE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended	
	December 31,	
	<u>2023</u>	<u>2022</u>
Revenues	\$ 3,827,785	\$ 2,790,361
Operating Expenses:		
Cost of revenue	3,245,853	4,490,589
General and administrative	2,332,039	2,262,475
Consulting expense	679,757	1,924,466
Compensation expense	3,270,994	5,809,718
Total operating expenses	<u>9,528,643</u>	<u>14,487,248</u>
Operating loss	(5,700,858)	(11,696,887)
Other Income (Expenses):		
Interest income (expense), net	2,751	(5,535)
Debt discount amortization	(803,134)	(256,093)
Original issue discount amortization	(355,411)	(39,429)
Amortization and depreciation	(44,213)	(42,528)
Expense of loans payable conversion and extension	(844,000)	(135,096)
Loans payable settlement loss	(3,127)	(63,668)
Gain on settlement of loans payable	300,000	38,076
Other income	6,267	—
Total other income (expenses)	<u>(1,740,867)</u>	<u>(504,273)</u>
Loss before income taxes	(7,441,725)	(12,201,160)
Provision for income taxes	—	—
Net loss	<u>\$ (7,441,725)</u>	<u>\$ (12,201,160)</u>
Basic and diluted loss per common share	<u>\$ (0.15)</u>	<u>\$ (0.31)</u>
Basic and diluted weighted average common shares outstanding	<u>48,693,658</u>	<u>39,578,479</u>

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

LIVECARE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net loss	\$ (7,441,725)	\$ (12,201,160)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization of long-term assets	44,213	42,528
Amortization of debt discounts	803,134	256,093
Amortization of original issue discount	355,411	39,429
Loss on debt forgiveness	3,127	63,668
Gain on forgiveness of debt	(300,000)	(38,076)
Common stock issued for services	2,484,999	2,715,726
Common stock issued for officer and director bonus	—	4,000,000
Common stock issued for debt inducement and extension	844,000	44,001
Stock subscriptions settlement expense	—	8,000
Write off of work-in-process	—	9,440
Warrants issued for debt conversion	—	135,096
Changes in operating assets and liabilities:		
Accounts receivable	(416,569)	(359,777)
Prepaid assets	(13,440)	(7,189)
Accounts payable	557,242	266,364
Accounts payable, related parties	(53,972)	160,000
Accrued expenses	51,027	21,725
Net cash used in operating activities	<u>(3,082,553)</u>	<u>(4,844,132)</u>
Cash flows from investing activities:		
Purchase of furniture and fixtures	(1)	(17,106)
Net cash used in investing activities	<u>(1)</u>	<u>(17,106)</u>
Cash flows from financing activities:		
Proceeds from the sale of common stock, net	67,800	3,733,050
Cash received for prior year unfunded stock subscriptions	—	103,400
Cash received in advance for common stock to be issued in future	—	103,200
Cash received for issuance of loans payable	340,000	1,725,000
Proceeds from the issuance of convertible notes	580,000	—
Cash payment for purchase of treasury stock	—	(210,000)
Cash payments on notes payable	(407,956)	(178,210)
Payment on convertible notes payable	—	(75,000)
Net cash provided by financing activities	<u>579,844</u>	<u>5,201,440</u>
Net change in cash	(2,502,710)	340,202
Cash, beginning of period	2,599,718	2,259,516
Cash, end of period	<u>\$ 97,008</u>	<u>\$ 2,599,718</u>

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

LIVECARE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended	
	December 31,	
	2023	2022
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ 21,748	\$ —
Cash paid for income taxes	\$ —	\$ —
NON-CASH FINANCING ACTIVITIES:		
Common stock issued for debt inducement	\$ 47,500	\$ 580,726
Common stock issued for debt conversion	\$ —	\$ 142,999
Common stock issued for prior year unfulfilled stock subscriptions	\$ 103,200	\$ 85,700
Cancellations of outstanding common stock	\$ (143,000)	\$ —
Purchase and re-issuance of common stock	\$ 157,000	\$ —
Common stock issued for prior year debt conversion	\$ —	\$ 22,400
Common stock issued for prior year debt inducement	\$ 212,500	\$ 13,360
Write off of uncollectible subscriptions receivable	\$ (2,000)	\$ —
Obligation to purchase treasury stock	\$ —	\$ 90,000
Stock to be issued for debt inducement	\$ 90,834	\$ 212,500
Warrants issued for debt inducement	\$ —	\$ 138,548
Increase in original issue discount related to new loans payable	\$ 401,500	\$ 356,500

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

LIVECARE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

	Preferred Stock		Common Stock		Additional	Treasury	Stock	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Stock	Subscription Receivable	Deficit	Stockholders' Equity (Deficit)
Balance, December 31, 2021	27,000,000	\$ 27,000	34,943,463	\$ 34,943	\$ 18,712,598	\$ -	\$ (10,000)	\$ (17,383,542)	\$ 1,380,999
Common stock issued for:									
Services	-	-	2,715,726	2,716	2,713,010	-	-	-	2,715,726
Officer bonus	-	-	4,000,000	4,000	3,996,000	-	-	-	4,000,000
Cash, net	-	-	3,733,050	3,733	3,729,317	-	-	-	3,733,050
Common stock issued for prior-year unfulfilled subscriptions	-	-	85,700	86	85,614	-	-	-	85,700
Common stock subscriptions receivable	-	-	-	-	-	-	8,000	-	8,000
Notes payable inducement	-	-	1,357,360	1,357	636,730	-	-	-	638,087
Notes payable conversion	-	-	165,399	166	165,233	-	-	-	165,399
Purchase of treasury stock	-	-	-	-	-	(300,000)	-	-	(300,000)
Warrants issued for debt conversion	-	-	-	-	135,096	-	-	-	135,096
Warrants issued for debt inducement	-	-	-	-	138,548	-	-	-	138,548
Net loss for the year ended December 31, 2022	-	-	-	-	-	-	-	(12,201,160)	(12,201,160)
Balance, December 31, 2022	27,000,000	27,000	47,000,698	47,001	30,312,146	(300,000)	(2,000)	(29,584,702)	499,445
Common stock issued for:									
Services, non-officer employees	-	-	1,890,000	1,890	1,888,109	-	-	-	1,889,999
Services, consultants	-	-	595,000	595	594,405	-	-	-	595,000
Cash, net	-	-	70,500	70	70,430	-	-	-	70,500
Fulfillment of prior stock purchases	-	-	103,200	103	103,097	-	-	-	103,200
Common stock subscriptions receivable	-	-	-	-	(2,000)	-	2,000	-	-
Grants required by current year debt issuances	-	-	90,000	90	47,410	-	-	-	47,500
Grants required by prior year debt issuances	-	-	425,000	425	212,075	-	-	-	212,500
Notes payable extension and conversion	-	-	844,000	844	843,156	-	-	-	844,000
Cancellations of shares outstanding	-	-	(143,000)	(143)	(142,857)	-	-	-	(143,000)
Shares acquired for reissuance and cancellation	-	-	-	-	-	300,000	-	-	300,000
Net loss for the year ended December 31, 2023	-	-	-	-	-	-	-	(7,441,725)	(7,441,725)
Balance, December 31, 2023	27,000,000	\$ 27,000	50,875,398	\$ 50,875	\$ 33,925,971	\$ -	\$ -	\$ (37,026,427)	\$ (3,022,581)

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

LIVECARE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

LiveCare, Inc. (“LiveCare” or the “Company”) was incorporated on July 10, 2018, under the laws of the State of Delaware under the name Gulf Coast Chronic Care, Inc. During 2019, the Company changed its name to LiveCare, Inc.

LiveCare is seeking to become the pre-eminent chronic care service and technology provider of a proven solution for the diabetes epidemic through visibility into daily health status, proactive real time communication, personalized support and programs designed to better engage diabetics in their overall wellness.

a. Basis of Presentation and Principals of Consolidation

The accompanying consolidated financial statements of LiveCare have been prepared using the accrual method in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission. LiveCare has elected a calendar year-end.

The accompanying consolidated financial statements reflect the accounts and operations of LiveCare and LiveCare Florida, P.A. (LiveCare FL), a Florida company in which we have a controlling financial interest.

b. Variable Interest Entities

In accordance with the provisions of Accounting Standards Codification 810, *Consolidation* (“ASC 810”), we consolidate any variable interest entity (“VIE”) of which we are the primary beneficiary. The typical condition for a controlling financial interest ownership is holding a majority of the voting interests of an entity; however, a controlling financial interest may also exist in entities, such as VIEs, through arrangements that do not involve controlling voting interests. ASC 810 requires a variable interest holder to consolidate a VIE if that party has the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. We do not consolidate a VIE in which we have a majority ownership interest when we are not considered the primary beneficiary. We had one consolidated VIE during the years ended December 31, 2023, and 2022 that was established in 2020 (see Note 6).

c. Cash Equivalents

LiveCare would report all highly liquid investments with maturities of three months or less when purchased, if any, to be cash equivalents. At December 31, 2023 and 2022, the Company had no cash equivalents.

From time to time, we may maintain bank balances in interest bearing accounts in excess of the \$250,000 currently insured by the Federal Deposit Insurance Corporation for interest bearing accounts (there is currently no insurance limit for deposits in noninterest bearing accounts). We have not experienced any losses with respect to cash. Management believes our Company is not exposed to any significant credit risk with respect to its cash.

d. Reclassifications of Prior Period Balances

There were no reclassification of prior period balances for the years ended December 31, 2023, and 2022.

LIVECARE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

e. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates during the years ended December 31, 2023, and 2022 include fair value measurements of equity based instruments, the collectability of outstanding accounts receivables and the probability of ability to use tax loss carryforwards in future years.

f. Revenue Recognition Policy

LiveCare follows the revenue accounting requirements of Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606) (“Accounting Standards Codification (“ASC 606”). ASC 606 establishes a principle for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. The core principle of ASC 606 is to recognize revenue to depict the transfer of promised goods or services to our members in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This principle is achieved through applying the following five-step approach:

- Identification of the contract, or contracts, with a member.
- Identification of the performance obligations in the contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue when, or as, LiveCare satisfies a performance obligation.

LiveCare generates revenue from contracts with members who purchase access to LiveCare’s virtual diabetes healthcare management services on a monthly basis. Substantially all revenue is derived from monthly access fees under subscription agreements with members that are based on a per participant per month model, using the number of active enrolled members each month for the minimum enrollment period. These solutions integrate devices, supplies, access to LiveCare’s blue-tooth based platform and clinical and data services to provide an overall health management solution. The promises to transfer these goods and services are not separately identifiable and are considered a single continuous service comprised of a series of distinct services that are substantially the same and have the same pattern of transfer (i.e., distinct days of service).

Each month, LiveCare bills each member’s health insurer for the Company’s services provided to such member in the previous month. At the time that the Company’s services are billed to the health insurer, which is the month following the delivery of the services to the member, the Company has fully completed the delivery of the services to the member for the monthly period being invoiced to the insurers. However, as customary in the healthcare industry, the insurers generally do not pay the Company for 100% of the billed amounts and the amounts payable may also be negatively affected by the members’ required co-payments and deductibles. The largest such insurer billed by the Company is Medicare, which generally pays approximately 80% of the amounts billed by the Company within thirty days of receiving the billing from the Company. Other insurers generally pay substantially lesser percentages of the amounts billed by the Company and take a substantially longer period to pay the Company, generally as much as ninety days after receiving the billing from the Company.

ASC 606 requires an entity to evaluate at contract inception whether it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to a customer. Since the collectability of the amounts billed by the Company is uncertain and ultimately a substantial portion of the billed amounts will never be collected, the Company has determined that it will not collect “substantially all” of the amounts that it bills to the insurers for the services provided to its members and billed to the insurers. As a result, the contracts with the members should not be accounted for under the revenue model of ASC 606 until the amounts to be received have been resolved. The Company records revenues based on the estimated cash payments as a percentage of the billed amounts that will ultimately be received from the insurers and the members. The projected collection of the cash payments is estimated using the Company’s extensive historical collection ratios by product and payment source. The estimation of future cash receipts is regularly re-evaluated to be sure that the historical patterns are still appropriate.

LIVECARE, INC. AND SUBSIDIARY
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The payments received from the insurers are non-refundable and, as the Company had fully performed the services under the member contract when the amounts for such services were billed to the insurers, the receipt of the cash payments received is incontrovertibly the resolution required by generally accepted accounting principles in order to recognize such payments as the Company's revenue. For reporting purposes, the Company then recognizes the subsequently received cash consideration as the revenue for the monthly period in which the service was performed and for which the insurers were billed. Since the delay between billing date and cash payment date can be significant, due to the insurers' processing schedules, the revenues for any particular period will not be determined definitively until the insurers have processed all billed amounts and disbursed the approved amounts to the Company. To determine the revenues to be reported for the year ended December 31, 2023, the Company has recorded as revenue an estimation of the cash payments to be received through December 2024 for services performed before December 31, 2023. Those subsequent estimated cash payments through December 2024 are reported as accounts receivable at December 31, 2023, and, since they are estimated expected cash receipts no provision is necessary for uncollectible receivables. Although certain very slow processing insurers may possibly still make a limited number of cash payments after December 31, 2024, for services provided to members before December 31, 2023, any such amounts are not material, not reasonably assured and not estimable, so are not considered in determining the revenues for the year ended December 31, 2023, or the accounts receivable as of December 31, 2023.

g. Stock-Based Compensation

LiveCare records stock-based compensation using the fair value method. Equity instruments issued to employees and the cost of the services received as consideration are accounted for in accordance with ASC 718, *Stock Compensation*, and are measured at the date of grant and recognized based on the fair value of the equity instruments issued.

All transactions with non-employees in which goods or services are the consideration received for the issuance of equity instruments are accounted for in accordance with ASU 2018-07, *Compensation—Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"). ASU 2018-07 simplifies the accounting for share-based payments to nonemployees by aligning it with the accounting for share-based payments to employees, whereby, based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

h. Fair Value of Financial Instruments

ASC 820, *Fair Value Measurements* ("ASC 820") and ASC 825, *Financial Instruments* ("ASC 825"), require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. It establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. It prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 - Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 - Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 - Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The carrying values of cash, accounts receivable, prepaid expenses, accounts payable and accrued liabilities, notes and convertible notes payable approximate fair value. Pursuant to ASC 820, the fair value of cash is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The recorded values of all other financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

LIVECARE, INC. AND SUBSIDIARY
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i. Accounting Policies

In July 2021, the FASB issued ASU 2021-05, *Lessors—Certain Leases with Variable Lease Payments* (“ASU 2021-05”). ASU 2021-05 was issued to address the day-one loss issue related to a lessor’s accounting for certain leases with variable lease payments, requiring a lease with variable lease payments that do not depend on an index or a rate to be classified as operating under certain conditions. ASU 2021-05 became effective for the Company for interim periods beginning after December 15, 2021. The ASU was adopted for the fiscal year ending December 31, 2022. The adoption of ASU 2021-05 did not have a material effect on LiveCare’s consolidated financial statements and related disclosures.

In May 2021, the FASB issued ASU 2021-04, *Issuer’s Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options* (“ASU 2021-04”). ASU 2021-04 codifies how an issuer should account for modifications made to equity-classified written call options. The guidance in ASU 2021-04 requires the issuer to treat a modification of an equity-classified warrant that does not cause the warrant to become liability-classified as an exchange of the original warrant for a new warrant. This guidance applies whether the modification is structured as an amendment to the terms and conditions of the warrant or as termination of the original warrant and issuance of a new warrant. ASU 2021-04 became effective for fiscal years beginning after December 15, 2021. The ASU was adopted for the fiscal year ending December 31, 2022. The adoption of ASU 2021-04 did not have a material effect on LiveCare’s consolidated financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13 *Financial Instruments -Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 replaces the incurred loss impairment model with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to determine credit loss estimates. The Company believes the primary impact of ASU 2016-13 will relate to the Company’s assessment of its allowance of doubtful accounts on receivables. The guidance was effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. The Company adopted this standard in the first quarter of 2023 and it did not have a material impact on the Company’s consolidated financial statements.

j. Long Lived Assets

Periodically, LiveCare assesses potential impairment of its long-lived assets, which include property, equipment and developed software, in accordance with the provisions of ASC Topic 360, *Property, Plant and Equipment*. LiveCare recognizes impairment losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets’ carrying values. An impairment loss would be recognized in the amount by which the recorded value of the asset exceeds the fair value of the asset, measured by the quoted market price of an asset or an estimate based on the best information available in the circumstances. There have been no such losses recognized during the years ended December 31, 2023 and 2022.

k. Fixed Assets and Internal Use Software, net

Fixed assets consisting of office furniture and equipment are recorded at cost and depreciated upon placement in service over the estimated useful lives of three to five years on a straight-line basis. Expenditures for normal repairs and maintenance are charged to expense as incurred.

During the years ended December 31, 2023, and 2022, LiveCare purchased \$-0- and \$17,106, respectively, in new office furniture, fixtures and equipment. At December 31, 2021, software and software development, net, included \$9,440 of work-in-process incurred during 2021 that was subsequently charged to IT expense during the year ended December 31, 2022, as it was determined not to be functionally useful. During the years ended December 31, 2023, and 2022, LiveCare recognized \$44,213 and \$42,528, respectively, in depreciation and amortization expense.

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LiveCare applies ASC 350-40, *Intangibles—Goodwill and Other—Internal Use Software*, in the review of certain system projects. These system projects relate to software we do not intend to sell or otherwise market. We apply this guidance to our review of development projects related to software used exclusively for our patient monitoring subscription offerings. In these reviews, all costs incurred during the preliminary project stages are expensed as incurred. Once the projects have been committed to and it is probable that the projects will meet functional requirements, costs are capitalized. Capitalized software costs are amortized when the software is available for its intended use over the expected economic life on a straight-line basis, which is three years. Amounts capitalized related to development of internal use software, net of amortization, are included in long-term assets along with other furniture and fixtures, net of depreciation, on our consolidated balance sheets and the related software amortization is recorded as a component of amortization and depreciation in our consolidated statements of operations.

1. Basic and Diluted Loss Per Share

Basic net loss per share is computed on the basis of the weighted average number of common shares outstanding during each year. Diluted net loss per share is computed similar to basic net loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. The Company uses the “if-converted” method for calculating the earnings per share impact of any outstanding convertible debentures, whereby the securities are assumed converted and an earnings per incremental share is computed. Options, warrants and their equivalents are included in earnings per share (“EPS”) calculations through the treasury stock method. In periods where losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive.

The calculation of basic and diluted net loss per share for the years ended December 31, 2023, and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Basic Net Loss Per Share:		
Numerator:		
Net loss	\$ (7,441,725)	\$(12,201,160)
Denominator:		
Weighted-average common shares outstanding	48,693,658	39,578,479
Basic net loss per share	<u>\$ (0.15)</u>	<u>\$ (0.31)</u>
Diluted Net Loss Per Share:		
Numerator:		
Net loss	\$ (7,441,725)	\$(12,201,160)
Adjustments for dilution	—	—
Diluted net loss	<u>\$ (7,441,725)</u>	<u>\$(12,201,160)</u>
Denominator:		
Weighted-average common shares outstanding	48,693,658	39,578,479
Adjustments for dilution	—	—
Weighted average shares used in computing diluted net loss per share	<u>48,693,658</u>	<u>39,578,479</u>
Diluted net loss per share	<u>\$ (0.15)</u>	<u>\$ (0.31)</u>

The following table summarizes the potential shares of common stock that were excluded from the computation of diluted net loss per share for the years ended December 31, 2023, and 2022 as such shares would have had an anti-dilutive effect:

	<u>2023</u>	<u>2022</u>
Common stock warrants	2,917,792	3,917,792
Convertible notes payable	848,000	—
Total	<u>3,765,792</u>	<u>3,917,792</u>

LIVECARE, INC. AND SUBSIDIARY
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m. Income Taxes

LiveCare files income tax returns in the U.S. federal jurisdiction, and the state of Delaware. LiveCare's policy is to recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

n. Advertising Costs

Advertising costs are charged to operations when incurred. Advertising expenses for the years ended December 31, 2023 and 2022 were approximately \$526,000 and \$486,000, respectively.

NOTE 2 - RELATED PARTY TRANSACTIONS

Accounts Payable, Related Party

As of December 31, 2023, and 2022, LiveCare owed \$-0- and \$210,972, respectively in legal fees to a law firm owned and operated by LiveCare's former Chief Legal Officer.

Accrued Payroll

As of December 31, 2023, and 2022, LiveCare owed unpaid accrued wages under an employment agreement with its CEO/President in the amounts of \$128,510 and \$77,483, respectively.

Common Stock

During August 2022, as a bonus to the Company's directors, LiveCare issued 1,000,000 shares of its common stock to its Chairman, 1,000,000 shares of its common stock to its CEO/President, and 1,000,000 to each of the two other Company directors, including the Company's former legal counsel, valued at \$1.00 per share, or a total of \$4,000,000.

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NOTE 3 – CONVERTIBLE NOTES, NOTES PAYABLE AND OTHER DEBT

The Company’s outstanding indebtedness as of December 31, 2023 is summarized in the following table:

	Investment Received	OID	Total Liability Before Payments	Payments to Date	Remaining Liability	Amortization Expense	
						Debt Discount	OID
						Year ended December 31, 2023	
Convertible Notes					See Note (a)	See Note (b)	
(1) Convertible note payable - Due June 2024	\$ 300,000	\$ 150,000	\$ 450,000	\$ -	\$ 450,000	\$ 54,167	\$ 81,250
(2) Convertible note payable - Due June 2024	30,000	15,000	45,000	-	45,000	5,417	8,125
(3) Convertible note payable - Due September 2024	200,000	100,000	300,000	-	300,000	19,444	29,167
(4) Convertible note payable - Due May 2024	50,000	3,000	53,000	-	53,000	6,250	750
Subtotal - Convertible Notes Payable	\$ 580,000	\$ 268,000	\$ 848,000	\$ -	\$ 848,000	\$ 85,278	\$ 119,292
Notes Payable and Other Debt							
(1) 2022 Loan payable - Due January 2023	\$ 1,000,000	\$ 150,000	\$ 1,150,000	\$ (191,666)	\$ 958,334	\$ 487,949	\$ 128,571
(2) Treasury Stock Purchase	90,000	-	90,000	(65,000)	25,000	-	-
(3) 2022-2023 Group of Loans payable	500,000	190,000	690,000	(76,800)	613,200	96,774	73,548
(4) 2023 Financing collateralized by receivables	250,000	105,000	355,000	(28,980)	326,020	-	7,000
(5) Revenue Sharing Loan Payable	15,000	-	15,000	-	15,000	750	-
(6) 2022 Loan payable - Due March 2023	300,000	45,000	345,000	-	345,000	90,000	27,000
Subtotal - Notes Payable and Other Debts	\$ 2,155,000	\$ 490,000	\$ 2,645,000	\$ (362,446)	\$ 2,282,554	\$ 675,473	\$ 236,119
Total	\$ 2,735,000	\$ 758,000	\$ 3,493,000	\$ (362,446)	\$ 3,130,554	\$ 760,751	\$ 355,411

Notes

- (a) The remaining liability represents the ultimate repayments of principal and interest that may be required, assuming no conversion of convertible debt into shares of common stock. The indebtedness shown on the Balance Sheet is remaining liability after deduction of unamortized debt discount and unamortized OID.
- (b) Excludes \$42,383 in debt discount expense on indebtedness that existed at December 31, 2022, but that was extinguished during 2023. The reconciliation to 2023 debt discount expense is as follows:

Debt discount expense on December 31, 2023 indebtedness	\$ 760,751
Debt discount expense on debt eliminated in 2023	42,383
Total Debt Discount Amortization Expense in 2023	<u>\$ 803,134</u>

Convertible Notes

(1) Convertible note payable with original cash received of \$300,000

Overview: In June 2023, an investor agreed to make a convertible loan to the Company in the amount of \$300,000, repayable in the amount of \$450,000 at maturity in June 2024, including \$150,000 interest. In addition to the promise to repay the short-term loan, the Company agreed to issue the investor 150,000 additional shares of common stock valued at \$1.00 per share. The investor has the right to defer issuance of the additional common stock until any time at or before maturity. The agreement provides that, at the investor’s option, at maturity, the total amount of \$450,000 may be converted into common shares of the Company’s stock at \$1.00 per share. The investor may also elect to convert only the loan principal to common stock and to take the interest portion in cash. At December 31, 2023, the fair market value (“FMV”) (see computation of debt discount below) of the 150,000 shares is carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$300,000 (66.7% of the total FMV of the transaction) and the FMV of the additional common stock to be issued was \$150,000 (33.3% of the total FMV of the transaction). Accordingly, 33.3% of the debt proceeds of \$300,000, equal to \$100,000, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the twelve month term of the loan. Since the loan was made in mid-June 2023, the Company recorded one-half month of debt discount amortization totaling \$4,167 in June 2023. Total amortization of the debt discount in 2023 was \$54,167.

Original Issue Discount: Management determined that the payment at maturity of \$150,000 in excess of the original funds received should be recorded as original issue discount (“OID”) and amortized ratably to expense over the term of the note. Since the note was made in mid-June 2023, the Company recorded one-half month of original issue discount amortization totaling \$6,250 in June 2023. Total amortization of the original issue discount in 2023 was \$81,250.

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(2) Convertible note payable with original cash received of \$30,000

Overview: In June 2023, an investor agreed to make a convertible loan to the Company in the amount of \$30,000, repayable in the amount of \$45,000 at maturity in June 2024, including \$15,000 interest. In addition to the promise to repay the short-term loan, the Company agreed to issue the investor 15,000 shares of common stock valued at \$1.00 per share. The agreement provides that, at the investor's option, at maturity, the total amount of \$45,000 may be converted into common shares of the Company's stock at \$1.00 per share. The investor may also elect to convert only the loan principal to common stock and to take the interest portion in cash. At June 30, 2023, the 15,000 shares are carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$30,000 (66.7% of the total FMV of the transaction) and the FMV of the issued stock was \$15,000 (33.3% of the total FMV of the transaction). Accordingly, 33.3% of the debt proceeds of \$30,000, equal to \$10,000, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the twelve month term of the loan. Since the loan was made in mid-June 2023, the Company recorded one-half month of debt discount amortization totaling \$417 in June 2023. Total amortization of the debt discount in 2023 was \$5,417.

Original Issue Discount: Management determined that the payment at maturity of \$15,000 in excess of the original funds received should be recorded as original issue discount ("OID") and amortized ratably to expense over the term of the note. Since the note was made in mid-June 2023, the Company recorded one-half month of original issue discount amortization totaling \$625 in June 2023. Total amortization of the original issue discount in 2023 was \$8,125.

(3) Convertible note payable with original cash received of \$200,000

Overview: In September 2023, an investor agreed to make a convertible loan to the Company in the amount of \$200,000, repayable in the amount of \$300,000 at maturity in September 2024, including \$100,000 interest. In addition to the promise to repay the short-term loan, the Company agreed to issue the investor 100,000 additional shares of common stock valued at \$1.00 per share. The investor has the right to defer issuance of the additional common stock until any time at or before maturity. The agreement provides that, at the investor's option, at maturity, the total amount of \$300,000 may be converted into common shares of the Company's stock at \$1.00 per share. The investor may also elect to convert only the loan principal to common stock and to take the interest portion in cash. At December 31, 2023, the FMV (see computation of debt discount below) of the 100,000 shares is carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$200,000 (66.7% of the total FMV of the transaction) and the FMV of the additional common stock to be issued was \$100,000 (33.3% of the total FMV of the transaction). Accordingly, 33.3% of the debt proceeds of \$200,000, equal to \$66,667, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the twelve month term of the loan. Since the loan was made in mid-September 2023, the Company recorded one-half month of debt discount amortization totaling \$2,778 in September 2023. Total amortization of the debt discount in 2023 was \$19,444.

Original Issue Discount: Management determined that the payment at maturity of \$100,000 in excess of the original funds received should be recorded as original issue discount ("OID") and amortized ratably to expense over the term of the note. Since the note was made in mid-September 2023, the Company recorded one-half month of original issue discount amortization totaling \$4,167 in September 2023. Total amortization of the original issue discount in 2023 was \$29,167.

(4) Convertible note payable with original cash received of \$50,000

Overview: In November 2023, an investor agreed to make a convertible loan to the Company in the amount of \$50,000, repayable in the amount of \$53,000 at maturity in May 2024, including \$3,000 interest. In addition to the promise to repay the short-term loan, the Company agreed to issue the investor 50,000 shares of common stock valued at \$1.00 per share. The agreement provides that, at the investor's option, at maturity, the total amount of \$53,000 may be converted into common shares of the Company's stock at \$1.00 per share. At December 31, 2023, the 50,000 shares are carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$50,000 (50.0% of the total FMV of the transaction) and the FMV of the issued stock was \$50,000 (50.0% of the total FMV of the transaction). Accordingly, 50.0% of the FMV of the proceeds, equal to \$25,000, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the term of the loan. Since the loan was made in mid-November 2023, the Company recorded one-half month of debt discount amortization totaling \$2,083 in November 2023. Total amortization of the debt discount in 2023 was \$6,250 for one and one-half months.

Original Issue Discount: Management determined that the payment at maturity of \$3,000 in excess of the original funds received should be recorded as original issue discount ("OID") and amortized ratably to expense over the term of the note. Since the note was made in mid-November 2023, the Company recorded one-half month of original issue discount amortization totaling \$250 in November 2023. Total amortization of the original issue discount in 2023 was \$750 for one and one-half months.

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(5) Debt Extinguished in 2022 - Convertible Bridge Loan Agreements (“CBLA”)

During the year ended December 31, 2020, LiveCare issued Convertible Bridge Loan Agreements (“CBLA”) totaling \$1,009,500. The CBLA are unsecured, due after 180 days, accrue interest at 12% per annum, are unsecured, and principal and interest are convertible at the option of the holder into common stock of the Company at \$1.00 per share. Based on the relative fair value of the conversion feature of the CBLA, the Company recognized \$504,750 in debt discount. As an inducement, each CBLA holder was also granted either one or two shares of LiveCare common stock for each dollar lent to the Company. A total of 1,947,000 shares of common stock were granted, with the relative fair value of \$504,750 being ascribed to debt discount. The CBLAs were extinguished in 2022 with none remaining outstanding at December 31, 2022.

Notes Payable and Other Debt

(1) 2022 Loan payable with original cash received of \$1,000,000

Overview: In late 2022, an investor agreed to make a short-term loan to the Company in the amount of \$1,000,000, repayable in twelve payments of \$95,833 beginning in January 2023, for a total repayment amount of \$1,150,000. In addition to the promise to repay the short-term loan, the Company issued the investor 1,000,000 shares of common stock valued at \$1.00 per share. The investor was also granted warrants expiring June 30, 2023, to purchase an additional 1,000,000 shares of common stock at \$1.00 per share. The Company has not made the required payment of \$1,150,000 and is currently in an arbitration proceeding with the investor in regard to settlement or compensation in return for a further extension.

Computation of Debt Discount: Management determined that the fair market value (“FMV”) of the debt was \$1,000,000 (43.1% of the total FMV of the transaction), the FMV of the issued stock was \$1,000,000 (43.1% of the total FMV of the transaction), and the FMV of the warrants was \$321,568 (computed using the Black-Sholes valuation model as described in Note 4 – STOCKHOLDERS’ EQUITY, Common Stock Warrants below) (13.9% of the FMV of the transaction). Accordingly, 43.1% of the common stock FMV, equal to \$430,727, plus 13.9% of the FMV of the warrants, equal to \$138,547, were determined to be the amount of debt discount to be recorded and amortized to expense over the term of the loan. Since the loan was made in early November 2022 and although no payments were due until early 2023, the Company recorded two months of debt discount amortization totaling \$81,325 in 2022. The remaining debt discount of \$487,949 was amortized to expense for the year ended December 31, 2023.

Original Issue Discount: Management determined that the payment of \$150,000 in excess of the initial funds received should be recorded as original issue discount (“OID”) and amortized over to expense over the term of the loan. Accordingly, \$21,429 of OID non-cash expense was recorded in 2022. The remaining OID of \$128,517 was amortized to expense for the year ended December 31, 2023.

(2) Treasury Stock Purchase

During 2022, the Company agreed to acquire from an investor 300,000 shares of common stock at \$1.00 per share to be held as treasury shares and the Company recorded a debt payable of \$300,000. As of December 31, 2022, the Company had paid the investor \$210,000 and the remaining obligation to the investor was \$90,000, which is carried as an “Other debt payable, current”. During 2023, the Company paid the investor an additional \$65,000 so that the remaining outstanding balance at December 31, 2023 was \$25,000. In November 2023, the Company issued 94,000 additional shares of common stock to the investor in return for an extension of the maturity date on the remaining debt.

(3) 2022-2023 Group of Loans payable in aggregate amount of \$500,000 (\$425,000 received in 2022 and \$75,000 in 2023)

Overview: In December 2022, the Company negotiated a number of short-term loans with a group of fourteen affiliated investors in a total proposed funding amount of \$500,000, to be completely funded in early 2023. The loans will be repaid in twenty-three installments of \$30,000 per month beginning October 1, 2023, for a total repayment amount of \$690,000. The remaining liability as of December 31, 2023, was \$613,200 after payments of \$76,800 made during 2023. Twelve of the investors pre-funded their commitments during December 2022 in the total amount of \$425,000. The transaction will be fully effectuated when all commitments are ultimately received and the investors will be issued common stock valued at \$1.00 per share for each \$1.00 originally invested in the notes, for a total stock issuance of 500,000 shares when all of the investors completed their funding in early January 2023. The Company recorded the \$425,000 received in 2022 as a loan payable, but no interest was payable in 2022 and there was no accrued interest at December 31, 2022. Although the terms of the loans required total payments of \$90,000 in 2023, the Company inadvertently paid only \$76,800. The resulting \$13,200 underpayment will be paid during 2024. At December 31, 2023, the \$373,200 that will be repaid in 2024 was recorded as “other debt, current portion” and the \$240,000 that will be repaid after December 31, 2024, is recorded as “other debt, long-term portion”.

LIVECARE, INC. AND SUBSIDIARY
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Computation of Debt Discount: Management determined that the FMV of the 2022 debt was \$425,000 (50.0% of the total FMV of the transaction) and the FMV of the stock to be issued in 2023 for the \$425,000 received in 2022 was \$425,000 (50.0% of the total FMV of the transaction). Accordingly, 50.0% of the stock FMV, equal to \$212,500 was determined to be the amount of debt discount to be recorded in 2022 and amortized to expense over the term of the \$425,000 loan proceeds received prior to December 31, 2022. Since the loan proceeds were received in late December 2022 no debt discount amortization was recorded in 2022. For the year ended December 31, 2023, the Company recorded twelve months of debt discount amortization totaling \$96,774. The portion of the debt discount that will be amortized for the twelve months of 2024 is \$96,774, which is included in “Other debt, debt discount, current portion” and the \$56,452 remaining debt discount to be amortized after December 31, 2024, is reported as “Other debt, debt discount, long-term portion”.

Original Issue Discount: Management determined that the 2022 excess total future payments of \$161,500 (\$425,000 represents 85% of the \$500,000 total, so \$161,500 represents 85% of the \$190,000 total payments in excess of the total 2022-2023 funds received of \$500,000) should be recorded as original issue discount (“OID”) and amortized over to expense over the term of the loan. Of the \$161,500, \$62,516 has been recorded as the current portion of the OID and \$98,984 has been recorded as the long-term portion of the OID. Since the \$425,000 was received in late December 2022, no OID non-cash expense was recorded in 2022. For the year ended December 31, 2023, the Company recorded twelve months of OID amortization totaling \$73,548. The portion of the OID discount that will be amortized for the twelve months of 2024 is \$73,548, which is included in “Other debt, OID, current portion” and the remaining OID that will be amortized after December 31, 2024, which is \$42,903, is reported as “Other debt, OID, long-term portion”.

(4) 2023 Financing collateralized by receivables with original cash received of \$250,000

Overview: In December 2023, a professional receivables financing firm agreed to make a short-term loan to the Company in the amount of \$250,000, repayable in business day installments of \$2,414.97 beginning December 14, 2023, for a total repayment amount of \$355,000. The remaining liability as of December 31, 2023 was \$326,020 after payments of \$28,980 made during 2023. The total repayment is fully collateralized by the Company’s accounts receivable.

Original Issue Discount: Management determined that the amount of \$105,000 that would be paid in excess of the initial \$250,000 funding received should be recorded as original issue discount (“OID”) and amortized into expense over the term of the loan. Accordingly, \$7,000 of OID non-cash expense was recorded in December 2023 for the one-half month of December. The remaining OID of \$98,000 will be amortized to expense at the rate of \$14,000 per month over the first seven months of 2024.

(5) Revenue Sharing Loan Payable with original cash received of \$15,000

Overview: In December 2023, an investor agreed to make a loan to the Company in the amount of \$15,000, repayable at the maturity date 270 days from the closing. The Company agreed to pay the investor royalty payments in lieu of interest, such royalty payments to be calculated as a percentage of monthly revenues above the 2024 monthly revenue amounts specified in the agreement. Therefore, the revenue sharing royalties would be payable only to the extent the Company’s revenues exceeded the specified amounts. In addition to the promise to repay the short-term loan and pay the monthly royalty payments, if any, the Company agreed to issue the investor 15,000 shares of common stock valued at \$1.00 per share. At December 31, 2023, the 15,000 shares are carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$15,000 (50.0% of the total FMV of the transaction) and the FMV of the issued stock was \$15,000 (also 50.0% of the total FMV of the transaction). Accordingly, 50.0% of the common stock FMV, equal to \$7,500, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the term of the loan. Since the loan was made in early December 2023, the Company recorded one month of debt discount amortization totaling \$750 in December 2023. Total amortization of the debt discount in 2023 was \$750.

Original Issue Discount: Since the return to the investor will be based on future monthly revenues of the Company during 2024, the ultimate return to the creditor is not determinable. Therefore, management determined that no original issue discount (“OID”) would be recorded in connection with the loan.

(6) 2022 Loan payable with original cash received of \$300,000

Overview: Also, in October 2022, another investor agreed to make a short-term loan to the Company in the amount of \$300,000, repayable in a single installment of \$345,000 before the end of March 2023. In addition to the promise to repay the short-term loan, the Company issued the investor 300,000 shares of common stock valued at \$1.00 per share. In March 2023, the maturity date was extended to June 2023. The Company has not made the required payment of \$345,000 and is currently in negotiations with the investor in regard to compensation in return for a further extension.

LIVECARE, INC. AND SUBSIDIARY
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Computation of Debt Discount: Management determined that the FMV of the debt was \$300,000 (50.0% of the total FMV of the transaction) and the FMV of the issued stock was \$300,000 (50.0% of the total FMV of the transaction). Accordingly, 50.0% of the stock FMV, equal to \$150,000 was determined to be the amount of debt discount to be recorded and amortized to expense over the term of the loan. Since the loan was made in early November 2022 the Company recorded two months of debt discount amortization totaling \$60,000 in 2022. The remaining debt discount of \$90,000 was amortized to expense for the three months ended March 31, 2023.

Original Issue Discount: Management determined that the payment of \$45,000 in excess of the initial funds received should be recorded as original issue discount (“OID”) and amortized over to expense over the term of the loan. Accordingly, \$18,000 of OID non-cash expense was recorded in 2022. The remaining OID of \$27,000 was amortized to expense for the three months ended March 31, 2023.

(7) Debt Extinguished in 2023 - 2021 Notes Payable

During the years ended December 31, 2021 and 2020, LiveCare entered into eleven notes payable for cash totaling \$735,000 and \$305,000, respectively. The notes payable were unsecured and provided each investor a face discount of up to 22% and for repayment of the total face amount over nine equal monthly payments beginning April 15, 2021. The notes payable also provided the holder one share of LiveCare common stock for each dollar invested, or a total of 1,040,000 shares with a value of \$887,500, the relative fair value being recognized as a discount and amortized to interest expense over the term of the respective Notes Payable.

During the year ended December 31, 2022, LiveCare recognized a total of \$68,495 in expense from the amortization of debt discount on the above notes payable. The remaining balance of the notes payable was \$42,383 as of December 31, 2022, and the balance of the debt discount on notes payable at December 31, 2022 was \$42,383, leaving a net balance of \$-0- as of December 31, 2022.

Of the \$480,849 in notes payable (net of discounts) as of December 31, 2021, notes totaling \$179,113 (net of discounts) were fully extinguished during 2022. The notes’ payable balances before discounts at January 1, 2022, were \$225,385, with associated discounts of \$46,272. The Company issued a total of 142,999 shares of common stock as partial consideration in connection with the extinguishment of those notes payable. The shares were valued at \$142,999, or \$1.00 per share based on the price of shares issued for cash during the year. In connection with the extinguishment, the Company recognized \$38,076 as a gain on the extinguishments, \$14,020 as a loss on the extinguishments and paid \$59,330 in cash to the creditors. In addition, the creditors were issued an aggregate of 142,999 warrants to purchase common stock at \$1.00 per share, expiring December 31, 2024.

(8) Debt Written Off in 2023 - 2021 Loan payable with original cash received of \$300,000

During January 2021, LiveCare entered into a consulting agreement with an individual for investor relations and marketing services, which included a short-term loan to LiveCare whereby LiveCare received \$300,000 in cash. A total of 1,000,000 shares of common stock were granted as debt inducement, with the relative fair value of \$300,000 being ascribed to debt discount and immediately expensed to interest expense. The short-term loan is unsecured and LiveCare agreed to repay the loan upon the consultant’s arrangement for a minimum of \$2,500,000 in equity funding for the Company. The consultant has not secured any equity funding for the Company since the agreement was signed and he has not responded to the Company’s inquiries. Management considers the debt to be null and void due to the consultant’s clear violation of the agreement. In 2023, the outstanding balance of \$300,000 was written off, resulting in a debt forgiveness benefit of \$300,000.

LIVECARE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary Table of Outstanding Indebtedness at December 31, 2023

The historical development of the various debt instruments as detailed above are summarized in the following table:

	Original Principal (Excludes Original Issue Discount)	Original Issue Discount		Debt Discount			Balance as of December 31, 2023
		Cumulative Additions To Date	Cumulative Amortization To Date	Cumulative Additions To Date	Cumulative Amortization To Date	Cumulative Payments To Date	
<u>Current Portion of Convertible Notes</u>							
(1) Convertible note payable - Due June 2024	\$ 300,000.00	\$ 150,000.00	\$ (81,250)	\$ 100,000	\$ (54,167)	\$ -	\$ 335,417
(2) Convertible note payable - Due June 2024	30,000.00	15,000.00	(8,125)	10,000	(5,417)	-	33,542
(3) Convertible note payable - Due September 2024	200,000.00	100,000.00	(29,167)	66,667	(19,444)	-	181,944
(4) Convertible note payable - Due May 2024	50,000.00	3,000.00	(750)	25,000	(6,250)	-	32,000
Subtotal - Convertible Notes Payable	<u>\$ 580,000</u>	<u>\$ 268,000</u>	<u>\$ (119,292)</u>	<u>\$ 201,667</u>	<u>\$ (85,278)</u>	<u>\$ -</u>	<u>\$ 582,903</u>
<u>Current Portion of Notes Payable and Other Debt</u>							
(1) 2022 Loan payable - Due January 2023	\$ 1,000,000#	\$ 150,000	\$ (150,000)	\$ 569,273	\$ (569,273)	\$ (191,666)	\$ 958,334
(2) Treasury Stock Purchase	90,000	-	-	-	-	(65,000)	25,000
(3) 2022-2023 Group of Loans payable	260,000	147,097	(73,548)	193,548	(96,774)	(76,800)	202,877
(4) 2023 Financing collateralized by receivables	250,000	105,000	(7,000)	-	-	(28,980)	228,020
(5) Revenue Sharing Loan Payable	15,000	-	-	7,500	(750)	-	8,250
(6) 2022 Loan payable - Due March 2023	300,000	45,000	(45,000)	150,000	(150,000)	-	345,000
Subtotal - Notes Payable and Other Debts	<u>\$ 1,915,000</u>	<u>\$ 447,097</u>	<u>\$ (275,548)</u>	<u>\$ 920,321</u>	<u>\$ (816,797)</u>	<u>\$ (362,446)</u>	<u>\$ 1,767,481</u>
Total for Current Portion of Debt	<u>\$ 2,495,000</u>	<u>\$ 715,097</u>	<u>\$ (394,840)</u>	<u>\$ 1,121,988</u>	<u>\$ (902,075)</u>	<u>\$ (362,446)</u>	<u>\$ 2,350,384</u>
<u>Long-Term Portion of Notes Payable and Other Debt</u>							
(3) 2022-2023 Group of Loans payable	240,000	42,903	-	56,452	-	-	140,645
Total debt - Current and Long-Term	<u>\$ 2,735,000</u>	<u>\$ 758,000</u>	<u>\$ (394,840)</u>	<u>\$ 1,178,440</u>	<u>\$ (902,075)</u>	<u>\$ (362,446)</u>	<u>\$ 2,491,029</u>

The following table provides the future principal payments and maturities of the Company's notes payable and other debts:

Payments due in:	Notes Payable and Other Debt, Inclusive of Original Issue Discount
2024	\$ 2,890,554
2025	240,000
2026	—
2027	—
2028	—
Total	<u>\$ 3,130,554</u>

Line of Credit

On April 21, 2023, the Company was approved for a \$300,000 variable rate revolving line of credit with Fifth Third Bank, National Association. The term of the line of credit is one year, terminating on April 21, 2024, with automatic renewals by mutual agreement. The loan agreement includes various covenants and conditions that must be met before advances are made to the Company under the line of credit. The variable interest rate on any advances will be computed at a rate of 1.0% below the "prime" rate established by Fifth Third Bank, National Association.

LIVECARE, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - STOCKHOLDERS' EQUITY

Common Stock

2023

During the year ended December 31, 2023, LiveCare issued a total of 70,500 shares of common stock for net aggregate cash payments of \$70,500. In addition, the Company issued a total of 103,200 shares in fulfillment of prior year subscriptions that had been carried as a current liability in "Common stock shares to be issued" at December 31, 2022.

In 2023, LiveCare issued a total of 1,890,000 shares of common stock for services to employees and 595,000 shares to outside consultants valued at \$1.00 per share for a total operating expense of \$2,485,000.

In 2023, the Company eliminated the receivable for \$2,000 for shares issued in prior years that have been deemed uncollectible.

Also in 2023, the Company cancelled 143,000 shares of common stock that had been repurchased from a shareholder in 2022. The Company had purchased 300,000 shares from the investor as treasury shares in 2022 and reissued 157,000 shares to new investors in 2023.

During 2023, the Company issued the 425,000 shares granted as "equity kicker" benefits in connection with the loan payable proceeds received in December 2022, that had been carried as a current liability in "Common stock shares to be issued" at December 31, 2022. As discussed above, the value of those shares was reduced to \$212,500 in connection with the computation of the debt discount related to the debt obligation.

The Company issued 90,000 shares of common stock in 2023 as "equity kicker" in connection with new loans to the Company. However, as described in NOTE 3 – CONVERTIBLE DEBT, NOTES PAYABLE AND OTHER DEBT above, the recorded value of the 90,000 shares issued for debt "equity kicker" benefits were reduced in connection with the computation of the debt discount associated with the new debts to a recorded combined equity increase of \$47,500.

In 2023, the Company issued 844,000 shares as either compensation to debt holders for delayed repayments or as inducements for possible future loans. The shares were valued at \$1.00 per share based on the market price of the common shares and the price of shares issued for cash during the year. The total recorded value of the stock issued for debt inducement in 2023 was \$844,000.

2022

During the year ended December 31, 2022, LiveCare issued a total of 3,733,050 shares of common stock for net aggregate cash payments of \$3,733,050.

During August 2022, as a bonus to certain of the Company's directors, LiveCare issued 1,000,000 shares of its common stock to its Chairman, 1,000,000 shares of its common stock to its CEO/President, and 1,000,000 to each of two other Company directors, including the Company's legal counsel, valued at \$1.00 per share, for a total operating expense of \$4,000,000.

During the year ended December 31, 2022, LiveCare issued a total of 2,715,726 shares of common stock for services to employees and outside consultants valued at \$1.00 per share for a total operating expense of \$2,715,726.

LIVECARE, INC. AND SUBSIDIARY
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In November and December 2022, the Company issued 1,300,000 shares of common stock (and agreed to issue 425,000 additional shares in 2023) to investors in short-term notes payable to induce such investors to make the loans to the Company. The FMV of the shares of \$1.00 per share was based on the price of shares issued for cash during the year. However, as described in NOTE 3 – SHORT-TERM DEBT, OTHER DEBT PAYABLE AND CONVERTIBLE NOTES PAYABLE above, the recorded value of the 1,300,000 shares issued for debt inducement were reduced in connection with the computation of the debt discount associated with the new debt to a recorded combined equity increase of \$719,273. In addition, during the year ended December 31, 2022, LiveCare issued a total of 79,760 shares of common stock to investors as an incentive to make loans to the Company. The shares were valued at \$1.00 per share based on the price of shares issued for cash during the year. The total recorded value of the stock issued for debt inducement in 2022 was \$638,087.

During the year ended December 31, 2022, LiveCare issued a total of 142,999 shares of common stock as partial consideration in connection with the termination of certain notes payable. The shares were valued at \$142,999, or \$1.00 per share based on the price of shares issued for cash during the year. In addition, during April 2022, the Company issued 22,400 shares of common stock, also valued at \$1.00 per share, to complete the fulfillment of stock contracted in 2021 to be issued in connection with the termination of certain debt in 2021.

Preferred Stock

During September 2021, LiveCare amended its Articles of Incorporation to create a new class of 50,000,000 authorized shares of preferred stock (“Blank Check Preferred Stock”). The board of directors of LiveCare is authorized to determine or alter the powers, preferences and rights, and the qualifications, limitations and restrictions granted to or imposed upon any wholly unissued series of Blank Check Preferred Stock to increase or decrease (but not below the number of shares of any such series of Preferred Stock then outstanding), the number of shares of any such series of Blank Check Preferred Stock, and to fix the number of shares of any series of Blank Check Preferred Stock. The Blank Check Preferred Stock is entitled to 100 votes for each share held at all meetings of stockholders and for written actions in lieu of meetings but has no liquidation rights upon dissolution of LiveCare.

During September 2021, as a measure to prevent a change in control and ensure continuity of management, LiveCare issued 9,000,000 shares of its preferred stock to its Chairman; issued 9,000,000 shares of its preferred stock to its CEO/President; and, issued 9,000,000 shares of its preferred stock its Chief Legal Officer, each of such issued shares valued at \$0.001 per share, or a total of \$27,000.

Common Stock Warrants

During the year ended December 31, 2022, warrants to purchase a total of 142,999 shares of common stock were granted to creditors as partial consideration in connection with the extinguishment of certain notes payable. The warrants are for the purchase of shares of common stock at a price of \$1.00 per share, exercisable at any time until December 31, 2025.

In November 2022, in connection with a short-term loan of \$1,000,000, the Company granted an investor warrants to purchase 1,000,000 shares of common stock at \$1.00 per share. The warrants expired on June 30, 2023. The FMV of these warrants computed using the Black-Scholes model with the assumptions as described below was determined to be \$321,658. However, in connection with the computation of the debt discount related to the debt issuance, the recorded equity valuation of the warrants was \$138,548.

During October 2021, LiveCare agreed to convert \$375,773 of note payable principal into 382,793 shares of common stock and issued 342,493 warrants to purchase LiveCare common stock at a price of \$1.00 per share, exercisable at any time until December 31, 2024. LiveCare recognized a loss on debt conversion of \$322,762 based on the fair value of the warrants on the date of grant.

Between July and December 2021, in conjunction with the issuance of 2,774,793 shares of common stock for \$2,774,793 in cash, LiveCare issued 2,774,793 warrants to purchase common stock at a price of \$1.00 per share, exercisable at any time until December 31, 2024.

LIVECARE, INC. AND SUBSIDIARY
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The following table presents the stock warrant activity during the year ended December 31, 2023:

	Warrants	Weighted Average Exercise Price	Weighted Average Remaining Term
Outstanding December 31, 2022	3,917,792	\$ 1.00	-
Granted	-	—	-
Forfeited/expired	(1,000,000)	—	-
Exercised	-	—	-
Outstanding December 31, 2023	<u>2,917,792</u>	\$ 1.00	1.05
Exercisable – December 31, 2023	2,917,792	\$ 1.00	1.05

The intrinsic value of the exercisable warrants as of December 31, 2023 and 2022 was \$-0- and \$-0-, respectively.

The Company analyzed the conversion options embedded in the convertible notes (see Note 3 above) for derivative accounting consideration under ASC 815 and determined that the instruments embedded in the above referenced convertible notes should be classified as liabilities and recorded at fair value due to there being no explicit limit to the number of shares to be delivered upon settlement of the conversion options. Because the number of shares to be issued upon settlement of the above referenced convertible notes could not be determined under these instruments, the Company could not determine whether it would have sufficient authorized shares at a given date to settle future share instruments. The fair values of the instruments were determined using a Black-Scholes option-pricing model.

The fair value of the 142,999 warrants issued in connection with the conversion of debt during the year ended December 31, 2022, was computed to be \$135,096 using the Black-Scholes option pricing model and the following key assumptions:

Expected dividends	0.00%
Expected term (years)	3.7
Volatility	196.54%
Risk-free rate	4.22%

In addition, in November 2022, in connection with a short-term loan of \$1,000,000, the Company granted the investor warrants to purchase 1,000,000 shares of common stock at \$1.00 per share. The warrants expire on June 30, 2023. The FMV of these warrants computed using the Black-Scholes options pricing model and the key assumptions as shown below was determined to be \$321,658. However, in connection with the computation of the debt discount related to the debt issuance, the recorded equity valuation of the warrants was \$138,547.

Expected dividends	0.00%
Expected term (years)	0.5
Volatility	114.31%
Risk-free rate	4.76%

LIVECARE, INC. AND SUBSIDIARY
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Common Stock Shares To Be Issued

As of December 31, 2023, LiveCare had not yet issued 315,000 shares of common stock valued at \$199,167. All of the unissued shares were granted in connection with several loans made to the Company in 2023. A total of 250,000 of the unissued shares are to be issued only when requested by the lender who has the right to determine the date of issue. The remaining 65,000 shares were granted in connection with two 2023 loan agreements that will be cancelled in 2024 when those debts will be exchanged into a new issue of convertible bridge loan notes and, as a result, the grants of those 65,000 shares will be cancelled. See the discussion regarding the new convertible bridge loan in “Subsequent Events” below. As discussed above, the value of all those shares were reduced in 2023 in connection with the computation of the debt discount related to the related debt obligations. The total value of the unissued shares, recorded as a current liability (“Common stock shares to be issued”) at December 31, 2023, was \$199,167.

During 2023, the Company issued the 425,000 shares granted in connection with the loan payable proceeds received in December 2022, as described below, that had been carried as a current liability in “Common stock shares to be issued” at December 31, 2022.

In addition, the Company issued a total of 103,200 shares in fulfillment of prior year subscriptions that had been carried as a current liability in “Common stock shares to be issued” at December 31, 2022.

As of December 31, 2022, LiveCare had not yet issued 103,200 shares of common stock for \$103,200 in cash previously received due to administrative oversight. In addition, the Company had not yet issued the 425,000 shares in connection with the loan payable proceeds received in late December 2022. As discussed above, the value of those shares was reduced to \$212,500 in connection with the computation of the debt discount related to the debt obligation. Accordingly, the total value of the unissued shares, recorded as a current liability (“Common stock shares to be issued”) at December 31, 2022, was \$315,700.

NOTE 5 - GOING CONCERN

LiveCare's financial statements are prepared using Generally Accepted Accounting Principles applicable to a going concern that contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, LiveCare has accumulated losses since its inception and has negative cash flows from operations, which raise substantial doubt about its ability to continue as a going concern. Management's plans with respect to alleviating the adverse financial conditions that caused management to express substantial doubt about the LiveCare's ability to continue as a going concern are as follows:

LiveCare is seeking to raise up to \$25,000,000 through private placements of its common stock to fund additional operational expenses and expand operations. Funds received from the issuance of debt and equity will be used to fund the development, implementation and marketing of the platform. The continuation of LiveCare as a going concern is dependent upon its ability to implement its business plan and generate profitable operations that produce positive cash flows. If LiveCare is not successful, it may be forced to raise additional debt or equity financing.

There can be no assurance that LiveCare will be able to achieve its business plans, raise the additional required capital or secure the financing necessary to achieve its current operating plan. The ability of LiveCare to continue as a going concern is dependent upon its ability to successfully accomplish the plan described in the preceding paragraph and eventually attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 6 - VARIABLE INTEREST ENTITY ARRANGEMENT

During 2020, LiveCare management entered into a Management Service Agreement (“MSA”) with a related party medical service provider, LiveCare FL, an affiliate entity with common management. The MSA requires LiveCare to render business development, marketing, management and administrative services management for LiveCare FL’s telemedicine and remote patient monitoring business in exchange for a 95% fixed fee of amounts collected. Under the MSA, LiveCare is to reimburse or provide all of the personnel and external firms for management of billing and collections functions for its remote diabetic monitoring business.

LIVECARE, INC. AND SUBSIDIARY
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LiveCare has determined it is the primary beneficiary of LiveCare FL due to the MSA terms granting LiveCare management the power to manage and make decisions that affect LiveCare FL operations as well as LiveCare being the primary beneficiary of the LiveCare FL as a result of its requirement to cover expenses and absorb losses of LiveCare FL's only business activity.

As the primary beneficiary of LiveCare FL, LiveCare consolidates LiveCare FL in the consolidated financial statements and all intercompany balances and transactions are eliminated.

We evaluate our relationship with LiveCare FL on an ongoing basis to ensure that we continue to be the primary beneficiary.

Assets of LiveCare FL included in the consolidated balance sheet as of December 31, 2023 consisted of cash totaling \$3,094 after elimination of intercompany transactions and balances and there were no outstanding liabilities. Revenues for LiveCare FL for the year ended December 31, 2023 were \$3,827,785 and all expenses of LiveCare FL were incurred by and paid by LiveCare as provided by the MSA.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Employment Agreements

During 2019, LiveCare entered into an employment agreement with its Chairman providing for an annual base salary of \$210,000 until termination. In December 2021, the Company entered into a new employment agreement with the CEO/President, providing for annual base salary of \$204,000, until termination.

Operating Leases

LiveCare has operating leases for a total of approximately 4,413 square feet of executive office space in Venice, Florida. The leases are for one year with two additional one year lease options for which management does not presently intend to utilize. The leases call for total monthly lease payments of \$7,833.

NOTE 8 - INCOME TAXES

The Company has generated federal and state net operating losses of approximately \$15,408,493 that begin to expire in 2029. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for Federal income tax reporting purposes are subject to annual limitations. LiveCare believes that its ability to fully utilize the existing net operating loss carryforwards could be restricted by its ability to generate net taxable income and should a change in ownership occur, net operating loss carryforwards may be limited as to use in future years.

In accordance with the statute of limitations for federal tax returns, the Company's federal tax returns for the years 2020 through 2022 are subject to examination.

Net deferred tax assets consist of the following components as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Net operating loss carryforward	\$ 3,186,301	\$ 2,235,991
Other	55,649	—
Property and Equipment	(6,167)	—
Valuation allowance	(3,235,783)	(2,235,991)
	<u>\$ —</u>	<u>\$ —</u>

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The Federal income tax provision differs from the amount of income tax determined by applying the U.S. Federal income tax rate of 21% to the loss before income taxes for the years ended December 31, 2023 and 2022 due to the following:

	<u>2023</u>	<u>2022</u>
Loss before income taxes	\$ (7,441,725)	\$(12,201,160)
Federal Income tax rate	21.0%	21.0%
Presumed tax benefit due to loss	\$ (1,562,762)	\$ (2,562,244)
Meals	8,190	—
Stock based compensation	521,850	1,426,094
Adjustments to prior year provision	32,929	—
Debt discount amortization	—	24,101
Valuation allowance	999,793	1,112,049
Provision for Federal income taxes	<u>\$ —</u>	<u>\$ —</u>

NOTE 9 - SUBSEQUENT EVENTS

Convertible Debt, Notes Payable and Other Debts

(1) Convertible Bridge Loan (with participation payments) - total original principal of \$575,500

Overview: In February 2024, a group of individual investors agreed to make separate convertible loans to the Company in the combined amount of \$575,500 (consisting of \$510,500 in new cash loans and \$65,000 in exchange for pre-existing company indebtedness) repayable on the maturity date of December 31, 2024, along with deferred interest of \$63,305 computed at the rate of 12% for the eleven months term of the debt. In addition to the promise to repay the convertible loans, the Company agreed to issue to each investor an “equity kicker” of two shares of the Company’s common stock for each \$1.00 loaned to the Company, for a total new issuance of 1,151,000 shares. The agreements provide that, at the investors’ individual options, the total amount of \$638,805 (consisting of the original principal of \$575,500 plus the \$63,305 of deferred interest) may be converted into common shares of the Company’s stock at \$1.00 per share no later than the maturity date of December 31, 2024. The \$65,000 in pre-existing indebtedness that have been exchanged for this new debt are described above in NOTE 3 – CONVERTIBLE NOTES, NOTES PAYABLE AND OTHER DEBT as “Convertible note payable with original cash received of \$50,000” and as “Revenue Sharing Loan Payable with original cash received of \$15,000”.

Computation of Debt Discount: Management determined that the FMV of the convertible debt was \$575,500 (50.0% of the total FMV of the transaction) and the FMV of the common stock of the “equity kicker” of 1,151,000 shares was also \$575,500 (50.0% of the total FMV of the transaction). Accordingly, 50.0% of the FMV of the proceeds, equal to \$287,750, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the term of the loan. Since the loan was made effective February 1, 2024, the Company recorded one month of debt discount amortization totaling \$12,511 in February 2024 and each month subsequent through December 2025 (a total of 23 months). Total amortization of the debt discount in 2024 will be \$137,620.

Original Issue Discount for the Deferred Interest: Management determined that the payment of interest due on December 31, 2024, of \$63,305 in excess of the original convertible loans’ principal should be recorded as original issue discount (“OID”) and amortized ratably to expense over the 11 month term of the loans (which must be repaid or converted by December 31, 2024). Since the loans were effective February 1, 2024, the Company will record one month of the deferred interest original issue discount amortization of \$5,755 every month from February 2024 through December 2024, when the convertible notes must be repaid or converted to the Company’s common stock, at the holders’ individual options. Total amortization of the original issue discount for the deferred interest during 2024 will be \$63,305.

Original Issue Discount for the Participation Payments: Management determined that the participation payments of \$57,550 to be made each month from January 2025 through December 2025, totaling \$690,600 in excess of the original convertible loans’ amount should be recorded as original issue discount (“OID”) and amortized ratably to expense over the 23 month term of the loans. Since the loans were effective February 1, 2024, the Company will record one month of the participation payments original issue discount amortization of \$30,026 every month from February 2024 through December 2025 (total of 23 months). Total amortization of the original issue discount for the participation payments during 2024 will be \$330,287.

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(2) 2024 Financing collateralized by receivables with original cash received of \$130,000

Overview: In February 2024, a professional receivables financing firm agreed to make a short-term loan to the Company in the amount of \$130,000, repayable in business day installments of \$1,273.47 beginning March 1, 2024, for a total repayment amount of \$187,200. The loan proceeds of \$130,000 were reduced by an upfront funding fee of \$6,985. The total repayment of \$130,000 is fully collateralized by the Company's accounts receivable.

Original Issue Discount: Management determined that the amount of \$57,200 that would be paid in excess of the initial \$130,000 funding received should be recorded as original issue discount ("OID") and amortized into expense over the 7.5 month (147 business days) term of the loan. Accordingly, \$57,200 of OID non-cash expense will be recorded in the period of March 2024 through October 2024.

(3) Convertible note payable with original cash received of \$150,000

Overview: In April 2024, an investor agreed to make a convertible loan to the Company in the amount of \$150,000, repayable in the amount of \$225,000 at maturity in March 31, 2025, including \$75,000 interest. In addition to the promise to repay the short-term loan, the Company agreed to issue the investor 75,000 additional shares of common stock. The investor has the right to defer issuance of the additional common stock until any time at or before maturity. The agreement provides that, at the investor's option, at maturity, the total amount of \$225,000 may be converted into common shares of the Company's stock at \$1.00 per share. The investor may also elect to convert only the loan principal to common stock and to take the interest portion in cash. Until the shares are issued, the FMV (see computation of debt discount below) of the 75,000 shares is carried as a liability for common stock to be issued.

Computation of Debt Discount: Management determined that the FMV of the debt was \$150,000 (72.7% of the total FMV of the transaction) and the FMV of the additional common stock to be issued was \$56,250 (27.3% of the total FMV of the transaction). Accordingly, 27.3% of the FMV of the proceeds of \$150,000, equal to \$40,909, was determined to be the amount of debt discount to be recorded and amortized to expense ratably over the twelve month term of the loan. Since the loan was made April 1, 2024, the Company recorded the first month of debt discount amortization totaling \$3,409 in April 2024.

Original Issue Discount: Management determined that the payment at maturity of \$75,000 in excess of the original funds received should be recorded as original issue discount ("OID") and amortized ratably to expense over the twelve month term of the note. Since the note was made April 1, 2024, the Company recorded the first month of original issue discount amortization totaling \$6,250 in April 2024.

Common Stock

The total number of shares of common stock outstanding as of April 15, 2024, was 50,875,398. On March 6, 2024, the Company agreed to issue a total of 200,000 shares of common stock to two consultants in connection with new consulting contracts. Furthermore, as described above, there are 1,150,000 shares of common stock to be issued as an "equity kicker" in connection with the "Convertible Bridge Loan (with participation payments) - total original principal of \$575,500" and 75,000 shares of common stock to be issued as an "equity kicker" in connection with the "Convertible note payable with original cash received of \$150,000". These increases are offset by the nullification of the issuance of 65,000 shares that had been granted prior to December 31, 2023 in connection with the two issues of pre-existing indebtedness that have been exchanged into the new "Convertible Bridge Loan (with participation payments) - total original principal of \$575,500", as described above.