Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

BioStem Technologies, Inc.

2836 Center Port Circle, Pompano Beach, FL 33064

(954)-380-8342
www.biostemtech.com
info@biostemtech.com
8000

Quarterly Report
For the Period Ending: 06/30/2021
(the "Reporting Period")

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

9,346,989

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

9,240,583

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

9,203,928

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):

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control[1] 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, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

a. BioStem Technologies, Inc. (Active)
b. BioStem Technologies was formerly named Caribbean International Holdings, Inc., until August 28, 2014 when the issuer changed its name to BioStem Technologies, Inc.
c. Caribbean International Holdings, Inc. was formerly named Caribbean Casino & Gaming Corporation, until November 29, 2012, when it changed its name to Caribbean International Holdings, Inc.
d. Caribbean Casino & Gaming Corporation was formed on February 12, 2009.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Florida, Active

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

N/A

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

N/A

The address(es) of the issuer's principal executive office:

2836 Center Port Circle, Pompano Beach, FL 33064

The address(es) of the issuer's principal place of business:
Check box if principal executive office and principal place of business are the same address: ☒

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

Yes: ☐ No: ☒

2) Security Information

Trading symbol:	BSEM	
Exact title and class of securities outstanding:	Common Stock	
CUSIP:	090684200	
Par or stated value:	$.001	
Total shares authorized:	975,000,000	as of date: June 30, 2021
Total shares outstanding:	9,346,989	as of date: June 30, 2021
Number of shares in the Public Float[2]:	2,334,526	as of date: June 30, 2021
Total number of shareholders of record:	414	as of date: June 30, 2021

[2] "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

All additional class(es) of publicly traded securities (if any):

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred*	
CUSIP:	N/A	
Par or stated value:	.001	
Preferred Stock Series A-1 Authorized:	300	as of date: June 30, 2021
Preferred Stock Series A-1 Outstanding:	300	as of date: June 30, 2021
Preferred Stock Series B-1 Authorized:	500,000	as of date: June 30, 2021
Preferred Stock Series B-1 Outstanding:	0	as of date: June 30, 2021

* The preferred stock is not publicly traded.

Transfer Agent

Name: V Stock Transfer
Phone: 212-828-8436
Email: info@vstocktransfer.com
Address: 18 Lafayette Pl, Woodmere, NY 11598

Is the Transfer Agent registered under the Exchange Act?[3] Yes: ☒ No: ☐

3) Issuance History

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 12/31/2019 Common: 9,135,391 Preferred: 300			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).**	**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.**
6/17/20	New Issuance	10,000	Common	1.30	No	Brant Watson	Services	Restricted	Rule 506c
7/22/20	New Issuance	120,000	Common	1.00	No	Mirtha Fonte	Compensation	Restricted	Rule 506c
9/11/2020	Cancellation	100,000	Common	5.00	No	Akquimed Inc. / Felix Amon	Services	Restricted	Rule 506c

[3] To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

10/20/2020	New Issuance	6,000	Common	1.17	No	Proactive Capital Resources Group LLC. / Jeff Ramson	Services	Restricted	Rule 506c
11/23/2020	New Issuance	10,000	Common	1.22	No	Brandt Watson	Compensation	Restricted	Rule 506c
12/18/2020	New Issuance	6,817	Common	1.50	No	RVJ CPA's P.A. / Vanessa Jaipal	Services	Restricted	Rule 506c
12/18/2020	New Issuance	15,720	Common	1.50	No	Finance and Strategic Consultants / Susan Weisman	Services	Restricted	Rule 506c
1/11/21	New Issuance	10,000	Common	1.40	No	Mirtha Fonte	Compensation	Restricted	Rule 506c
3/15/21	New Issuance	22,223	Common	1.35	No	James Wurm	Compensation	Restricted	Rule 506c
3/18/21	New Issuance	191	Common	1.22	No	Brant Watson	Services	Restricted	Rule 506c
3/18/21	New Issuance	645	Common	1.49	No	Brant Watson	Services	Restricted	Rule 506c
3/18/21	New Issuance	671	Common	1.49	No	Brant Watson	Services	Restricted	Rule 506c
3/18/21	New Issuance	2,280	Common	1.40	No	Brant Watson	Services	Restricted	Rule 506c
3/18/21	New Issuance	645	Common	1.55	No	Brant Watson	Services	Restricted	Rule 506c
4/5/2021	New Issuance	1,049.00	Common	1.31	No	Finance and Strategic Consultants / Susan Weisman	Services Valued at $1,049	Restricted	Rule 506b
5/25/2021	New Issuance	50,000.00	Common	1.00	No	Otakima, LLC / Joseph Lombas	Stock Purchase 01	Restricted	Rule 506b
6/1/2021	New Issuance	50,000.00	Common	1.00	No	Wes De Souza	Stock Purchase 01	Restricted	Rule 506b
6/15/2021	New Issuance	5,357.00	Common	1.40	No	Imre Borsanyi CPA / Imre Borsanyi	Services Valued at $7,500	Restricted	Rule 506b

Shares Outstanding on Date of This Report:

Ending Balance:

Date 6/30/2021 Common: 9,346,989

Preferred: 300

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

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 (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
1/25/21	$247,500	$243,000	$22,500	12/23/21	Converts at $2.00 ashare	Brent Young	Loan

In addition to the convertible promissory notes identified in the table below, see Notes 4, 5 and 10 to the Company's unaudited financial statements regarding outstanding loans and notes that are not convertible into shares of the Company's common stock.

4) Financial Statements

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

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)[4]:

Name: Michael Fortunato
Title: Controller
Relationship to Issuer: Employee

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

BioStem Technologies, Inc. is a pre-clinical-stage biotechnology company focused on harnessing elements of Perinatal Tissue and the body's innate biology to repair or reverse damage caused by a broad range of degenerative diseases. Our proprietary approach, called Local MicroEnvironment Activation, or LMA, uses combinations of Small Molecules, Cytokines, and Growth Factors to activate the microenvironment within the body to create communication for repair in the tissue. From the day we were founded in 2014, BioStem Technologies has pursued a singular goal: growing into a therapeutic biologics company with the power to change lives for the better. For BioStem, pursuing better means prioritizing quality and putting patient outcomes first. This philosophy gives us a clear path forward as we continue to innovate and is what has enabled us to grow from an idea into a fully-fledged biologic company. Our story is still being written, and it all started with hope. Bringing this life-changing technology to patients around the world will always be the driving force behind where we find ourselves and where we go next.

Over 10,000 procedures have been conducted using BioStem products, with zero reported adverse events. Through our rigorous quality and proprietary production processes, we demonstrate our commitment to excellence and our focus on patient safety.

B. Please list any subsidiaries, parents, or affiliated companies.

Blue Tech Industries Inc., dba BioStem Life Science, a Delaware corporation ("Life Sciences"), is focused on the development and manufacturing of high quality placental-based amniotic tissue products. With a broad range of experience in product development and clinical production, BioStem Life Sciences has the insight and expertise to

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

identify and address key issues as we work with you to produce your material. BioStem Life Sciences also offers full support for your IND filing by providing QA audited batch records for your Investigational New Drug (IND) filing including Chemistry, Manufacturing, and Control (CMC) support. In 2018, the Company sold 10 percent ownership in this subsidiary. The Company owns 90.0% interest of the subsidiary as of June 30, 2021, and December 31, 2020.

BioStem Wellness, Inc., a Florida corporation ("Wellness"), develops and markets nutraceutical products through its own brands, Dr. Dave's Best and Nesvik Organics as well as other non-proprietary products throughout the U.S. and internationally. The Company is currently selling Wellness products via two ecommerce platforms, Shopify and Amazon. Wellness was sold in the first quarter of 2021.

Nesvik Pharmaceuticals, Inc., a Delaware corporation ("Nesvik"), focused on the development of novel reformulated pharmaceutical products that address unmet needs in large, established and underserved markets. This subsidiary is considered inactive.

C. Describe the issuers' principal products or services.

The products offered by BioStem Technologies™ include RHEO™, OROPRO™, AEON™, VENDAJE™, VENDAJE™ AC and VENDAJE™ OPTIC are perinatal tissue-derived allografts. They are designated as Human Cell, Tissue, and Cellular and Tissue-Based Products (HCT/P) by the U.S. Food and Drug Administration (FDA), are minimally manipulated, and are produced in accordance with the FDA regulations for Good Tissue Practices (21 CFR 1270, 1271).

6) Issuer's Facilities

The issuer has established its Manufacturing and Development Lab at 2836 Center Port Circle, Pompano Beach, FL 33064. The property has an 18-month balloon note with current interest payments of $2,083.33 per month and a condominium association fee of $952.36 per month, with a buy-out of $500,000 on October 10, 2017. On February 2, 2018, the Issuer entered into a refinance loan for the property located in Pompano Beach, Florida for $500,000.
The loan is payable monthly, interest only for the term of the loan at 12%. The original loan maturity was on February 28, 2019. The loan was extended through February 28, 2020 for a fee of $10,000. The loan requires monthly payments of interest and real estate taxes beginning on April 1, 2018. On November 25, 2020 the lender extended the term through May 31, 2021.

7) Company Insiders (Officers, Directors, and Control Persons)

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Jason Matuszewski	Officer, Director and 5% Stockholder	Fort Lauderdale, FL	811,149 100	Common Preferred A	8.67% 33.33%	See Note 1 and 2
Andrew VanVurst	Officer, Director and 5% Stockholder	Fort Lauderdale, FL	1,126,617 100	Common Preferred A	12.05% 33.33%	
Henry VanVurst	Owner of more than 5%	Fort Lauderdale, FL	622,740 100	Common Preferred A	6.66% 33.33%	See Note 1 and 2

GMA Bridge Holdings, LLC / Fred Schaner	Owner of more than 5%	Miami Lakes, FL	700,000	Common	7.49%	See Note 3

(1) Effective March 24, 2016, Jason Matuszewski resigned as the issuer's Chief Executive Officer, and was named the issuer's Chief Financial Officer. Henry W. VanVurst IV was named the Issuer's Chief Executive Officer as of that date. Also as of that date, Andrew VanVurst was named the issuer's Chief Operating Officer.

(2) Effective September 20, 2019, Henry W. VanVurst IV resigned as the issuer's Chief Executive Officer, and chairman of the board. Jason Matuszewski was named the Issuer's Chief Executive Officer and chairman of the board as of that date.

(3) On July 27, 2018 and October 5, 2018, the Company entered into consulting agreements with GMA Bridge Holdings, LLC. According to the consulting agreements, the consultant is focused on facilitating meetings with Stem cell medical practices, regenerative medicine companies and early stage with regenerative medicine companies for acquisition or strategic partnerships. The services performed by the consultant would be compensated with a grant of 250,000 and 450,000 restricted shares upon commencement of these agreements which shall vest over twelve-month period valued at $1,062,500 and $1,822,500 at July 27, 2018 and October 5, 2018, respectively, based on the most recent issuance of common shares, included in deferred compensation at December 31, 2018, fully amortized to consulting expense as of December 31, 2019.

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. 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;

None

3. A finding 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, which finding or judgment has not been reversed, suspended, or vacated; or

None

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

None

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.

None

9) Third Party Providers

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

Securities Counsel

Name: Laura Anthony, Esq
Firm: Anthony L.G., PLLC
Address 1: 625 Flagler Dr #600
Address 2: West Palm Beach, FL 33401
Phone: (800)341-2684
Email: _____

Accountant or Auditor

Name: David Brooks
Firm: D. Brooks & Associates CPA
Address 1: 4440 PGA Boulevard, Suite 104
Address 2: Palm Beach Gardens, FL 33410
Phone: (561) 426-6225
Email: _____

Investor Relations

Name: N/A
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

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

Name: N/A
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

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, Jason Matuszewski certify that:

1. I have reviewed this Quarterly Statement of Biostem Technologies, 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.

August 23rd, 2021

/s/ Jason Matuszewski

Principal Financial Officer:

I, Jason Matuszewski certify that:

1. I have reviewed this Quarterly Statement of Biostem Technologies, 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.

August 23rd, 2021

/s/ Jason Matuszewski

Biostem Technologies, Inc. and Subsidiaries

Consolidated Financial Statements

Six Months Ended

June 30, 2021

Biostem Technologies, Inc. and Subsidiaries
Consolidated Balance Sheets

		Unaudited June 30, 2021		Unaudited December 31, 2020
Current assets				
Cash	$	270,690	$	100,699
Accounts receivable, net		-		11,891
Inventory, net		396,099		570,990
Prepaid expenses		200,169		167,444
Other receivables		25,000		-
Total current assets		891,957		851,024
Property, plant and equipment, net		1,257,891		1,352,043
Goodwill		465,168		465,168
Total noncurrent assets		1,723,059		1,817,211
Total assets	**$**	**2,615,017**	**$**	**2,668,235**
Current liabilities				
Accounts payable and accrued expenses	$	582,573	$	607,692
Accrued interest		960,515		789,975
Salaries payable		1,102,379		1,085,644
Convertible debt		225,000		225,000
Notes payable		91,872		3,769,281
Capital lease liabilities		96,037		126,849
Other current liabilities		219,887		192,651
Total current liabilities		3,278,263		6,797,092
Long-term liabilities				
Notes payable, net of current		4,708,195		852,340
Related party notes payable		467,861		467,861
Capital lease liabilities, net of current		177,330		183,689
Total long-term liabilities		5,353,387		1,503,890
Total liabilities		8,631,650		8,300,982
Stockholders' deficit				
Series A convertible preferred stock, $0.001 par value Authorized, 300 shares; issued and outstanding, 300 shares as of June 30, 2021 and December 31, 2020, respectively		-		-
Series B convertible preferred stock, $0.001 par value Authorized, 500,000 shares; issued and outstanding 5 shares as of June 30, 2021 and December 31, 2020, respectively		-		-
Common stock, $0.001 par value Authorized, 975,000,000 shares; issued and outstanding 9,346,989 shares and 9,203,928 shares as of June 30, 2021 and December 31, 2020, respectively		9,347		9,204
Additional paid-in capital		23,257,925		23,165,681
Common stock to be issued		-		
Deferred compensation		(644,593)		(743,281)
Treasury stock		(33,335)		(33,335)
Accumulated deficit		(28,757,059)		(28,200,471)
Noncontrolling interest		151,081		169,455
Stockholders' deficit		(6,016,633)		(5,632,747)
Total liabilities and stockholders' deficit	**$**	**2,615,017**	**$**	**2,668,235**

See notes to unaudited consolidated financial statements

Biostem Technologies, Inc. and Subsidiaries

Consolidated Statements of Operations

		Unaudited Six Months Ended June 30, 2021		Unaudited Six Months Ended June 30, 2020
Sales	$	1,923,019	$	1,016,193
Cost of Sales		731,202		630,935
Gross Profit		1,191,817		385,258
Operating Expenses				
Compensation		984,273		388,732
Professional fees		430,343		467,489
Other general and administrative expenses		212,474		355,396
Depreciation expense		99,651		
Total operating expenses		1,726,741		1,211,617
Loss from operations		(534,924)		(826,359)
Other income (expense)				
Interest income		-		2,741
Interest expense		(273,971)		(266,299)
Gain on forgiveness of PPP loan		142,452		-
Total other expense, net		(131,519)		(263,558)
Net loss from operations before income taxes		(666,443)		(1,089,917)
Income tax expense		-		-
Net loss		(666,443)		(1,089,917)
Net loss attributable to noncontrolling interest		(18,374)		13,177
Net loss attributable to BioStem Technologies, Inc.	$	(648,069)	$	(1,103,094)
Loss per share before noncontrolling interest		(0.07)		(0.12)
Loss per share attributable to noncontrolling interest		(0.00)		0.00
Basic and diluted net loss attributable to common stockholders of BiosStem Technologies, Inc.	$	(0.07)	$	(0.12)
Basic and diluted average shares outstanding		9,254,536		9,052,057

See notes to unaudited consolidated financial statements

Biostem Technologies, Inc. and Subsidiaries
Consolidated Statement of Stockholders' Deficit
Six Months Ended June 30, 2021 (Unaudited)

	Series A		Series B		Common Stock		Additional Paid-in Capital	Treasury Stock	Deferred Compensation	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount						
Balance, December 31, 2020	300	$ -	5	$ -	9,203,928	$ 9,204	$ 23,165,681	$ (33,335)	$ (743,281)	$ (28,200,471)	$ 169,455	$ (5,632,748)
Amortization of deferred compensation	-	-	-	-	-			-	98,688	-	-	98,688
Stock-based compensation	-	-	-	-	-	-	92,244	-	-	-	-	92,244
Issuance of common stock	-	-	-	-	193,061	143		-	-	-	-	143
Net loss	-	-	-	-	-	-	-	-	-	(648,069)	(18,374)	(666,443)
Cumulative adjustment										91,482		91,483
Balance, June 30, 2021	300	-	5	-	9,346,989	9,347	23,257,925	(33,335)	(644,593)	(28,757,059)	151,081	(6,016,633)

See notes to unaudited consolidated financial statements

Biostem Technologies, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

		Unaudited Six Months Ended June 30, 2021		Unaudited Six Months ended June 30, 2020
Cash flow from operating activities:				
Net loss	$	(666,443)	$	(1,089,917)
Depreciation expense		99,651		114,622
Amortization expense		-		8,665
Stock-based compensation expense		191,075		-
Gain on forgiveness of PPP loan		(142,452)		-
Recognition of option expense		-		85,002
Deferred compensation		-		167,376
Stock issued for services		-		9,000
Changes in operating assets and liabilities:				
Accounts receivable		11,891		47,240
Prepaid expenses		(32,725)		108,290
Inventory		250,373		(81,032)
Other receivables		(25,000)		
Accounts payable and accrued expenses		(25,119)		(191,983)
Accrued interest		281,915		177,151
Salaries payable		16,735		270,576
Other current liabilities		27,236		-
Net cash used in operating activities		(12,862)		(375,010)
Cash flows from investing activities:				
Cash received from sale of BioStem Wellness, Inc.		10,500		-
Net cash provided by investing activities		10,500		-
Cash flows from financing activities:				
Issuance of Paycheck Protection Loan Term Notes		295,500		-
Proceeds from notes payable		-		75,000
Repayments on capital leases		(37,171)		(78,294)
Repayments on notes payable		(85,977)		539,086
Net cash provided used in financing activities		172,352		535,792
Net increase (decrease) in cash		169,991		160,782
Cash at beginning of year		100,699		140,741
Cash at end of quarter	$	270,690	$	301,523

See notes to unaudited consolidated financial statements

BioStem Technologies, Inc.
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2021

Note 1 Organization and Nature of Operations

BioStem Technologies, Inc. (hereinafter "the Company"), was incorporated as Aladdin & Company Trading in Utah on July 7, 2006. Aladdin & Company Trading later changed its name to Caribbean Casino & Gaming Corporation and re-domiciled to Florida on March 2, 2009. Caribbean Casino & Gaming Corporation further changed its name to Caribbean International Holdings, Inc. on January 7, 2013. On August 28, 2014, the Company changed its name to BioStem Technologies, Inc.

BioStem Technologies, Inc. is a leading regenerative biotechnology company focused on harnessing elements of perinatal tissue and the body's innate biology to repair or reverse damage caused by a broad range of degenerative diseases. Our proprietary approach, called Local MicroEnvironment Activation ("LMA"), uses combinations of Small Molecules, Cytokines, and Growth Factors to activate the microenvironment within the body to create communication for repair in the tissue.

The Company offers a comprehensive portfolio of high-quality brands that are trademarked and include RHEO™, AEON™, OROPRO™, VENDAJE™, VENDAJE™ AC and VENDAJE™ OPTIC. The Company is comprised of a diverse group of scientists, physicians, and entrepreneurs who collaborate to create innovative products. These technologies improve the quality of life for our patients and, as a result, drive shareholder value.

Currently, the Company operates its business through Blue Tech Industries, Inc. dba BioStem Life Science, a Delaware corporation, ("Life Sciences"). Life Sciences is focused on the development of high quality placental-based amniotic tissue products for the ophthalmology, orthopedic and wound care markets. The Company's mission is to create a new paradigm of healthcare, using breakthrough therapies that treat patients who otherwise are without effective treatment options.

In 2018, the Company sold 10% ownership in Life Sciences. The Company owns 90.0% interest of the subsidiary as of June 30, 2021. The remaining 10% ownership interest is reported as noncontrolling interest ("NCI") within the consolidated financial statements.

The Company's fiscal year end is December 31.

Note 2 Summary of Significant Accounting Policies and Going Concern

As reflected in the accompanying consolidated financial statements, the Company had a net loss of $534,924 and $256,394 for the for the six months ended June 30, 2021, and June 30, 2020, respectively, and accumulated and working capital deficits of $28,569,415 and $1,970,758, respectively, as of June 30, 2021. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company has been impacted by the COVID 19 virus ("Pandemic") and the closure of all municipalities throughout the United States and the world beginning in March 2020. The Company's customers are typically medical outlets providing non-essential medical treatments. From the beginning of March 2020 through June 2020, these treatments have been significantly restrained. Beginning in May 2020, certain facilities began to open in certain localities, some including our customers. In June 2020, most states began reopening including non-essential surgeries, outpatient procedures, and other related business. The Company continued manufacturing its products during the period and maintained the staff associated with these operations. The ability of the Company to continue its operation is outside of the Company's control; however, management has developed a plan, which includes securing available Payroll Protection Program ("PPP") loans from the Small Business Administration ("SBA") made available to small business to provide economic relief to address the impact of the Pandemic under the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") enacted in law on March 27, 2020 (see Note 3), reducing overhead expenses, and securing the necessary personal protective equipment ("PPE") for our manufacturing personnel.

The ability of the Company to continue its operation is dependent on management's plans, which includes the raising of capital through debt and/or equity markets, restructuring outstanding debt and additional funding from other traditional financing sources, including convertible debt an0.0 `d/or other term notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The Company may need to incur liabilities with certain related parties to sustain the Company's operations.

The Company will require additional funding to finance the growth of its current and expected future operations as well as to achieve its strategic objectives. The Company's currently available cash along with anticipated revenues may not be sufficient to meet its cash needs for the near future. There can be no assurance that financing will be available in amounts or terms acceptable to the Company, if at all.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Basis of Presentation and Consolidation

The accompanying consolidated financial statements include the accounts of BioStem Technologies, Inc. and all its wholly and majority-owned entities. All significant intercompany balances have been eliminated.

The Company consolidates entities that are wholly owned or entities that are owned less than 100% but where the Company has control through majority ownership. The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America under the accrual basis of accounting.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

Such estimates and assumptions impact both assets and liabilities, including but not limited to: net realizable value of accounts receivable and inventory, estimated useful lives and impairment of long-lived assets, the valuation of intangible assets, estimated fair value of share-based payment, and the valuation of deferred tax assets.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the consolidated financial statements, which management considered in formulating its estimate could change in the near term due to one or more future non-conforming events. Accordingly, actual results could differ significantly from estimates.

Risks and Uncertainties

The Company's operations are subject to risk and uncertainties including financial, operational, regulatory, and other risks including the potential risk of business failure.

The Company has experienced, and in the future expects to continue to experience, variability in its sales and earnings. The factors expected to contribute to this variability include, among others: (i) the uncertainty associated with the commercialization and ultimate success of the Company's products; (ii) competition inherent in the markets where products are expected to be sold; (iii) general economic conditions; and (iv) the related volatility of prices pertaining to the cost of sales.

Cash

The Company considers cash and cash equivalents to include all stable, highly liquid investments with maturities of three months or less. There are no cash equivalents on June 30, 2021, and December 31, 2020. The Company maintains its cash in bank and financial institutions that at times may exceed federally insured (FDIC) limits. On June 30, 2021 and December 31, 2020, the Company did not have any cash balances in excess of FDIC limits nor has the Company experienced any losses in such accounts through June 30, 2021.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at the original invoice amount less allowance for doubtful receivables which is recognized in an amount equal to the estimated probable losses net of recoveries when deemed necessary. The allowance is based on an assessment of specific identifiable troubled customer accounts considered at risk or uncollectible, an analysis of historical bad debt experience, and expected future write-offs.

The Company typically gets paid upon shipment or in advance of order completion and has not recorded an allowance for doubtful accounts at or for the years ended on June 30, 2021, and December 31, 2020, respectively.

Inventory

Inventory consists primarily of proprietary perinatal-based tissue membrane and flowable allografts.

The Company values its inventory at the lower of cost or estimated net realizable value. The Company determines the cost of its inventories, which includes amounts related to materials and manufacturing overhead, on a first-in, first-out, average cost basis. The Company performs an assessment of the recoverability of capitalized inventory during each reporting period, and it writes down any excess and obsolete inventories to their estimated realizable value in the period in which the impairment is first identified. Such impairment charges, should they occur, are recorded within cost of sales

Shipping and handling costs for shipments are recorded as incurred within cost of sales along with costs associated with manufacturing and any inventory write-downs.

The Company reviews inventory levels periodically and historical sales activity to determine potentially obsolete items and evaluates the impact of any anticipated changes in future demand as determined by management. The Company tracks inventory as it is disposed or scrapped to determine whether additional items on hand should be reduced in value through an allowance method. The Company established a valuation allowance for the inventory with a balance of $30,000 and $30,000 on June 30, 2021, and December 31, 2020, respectively.

Inventory consisted of the following:

	June 30, 2021	December 31, 2020
Raw Materials	$ 80,824	$ 85,564
Work-in-Process	116,354	56,791
Finished Goods	198,921	428,635
Total	$ 396,099	$ 570,990

Property, Plant and Equipment

Property, Plant and Equipment consists of laboratory equipment, computer equipment and office furniture and are stated at cost, less accumulated depreciation. Depreciation and amortization are computed using the straight-line method based on the lesser of estimated useful lives of the related assets ranging from 3 to 39 years or lease terms. Lab equipment items have depreciable lives of five years, furniture items have depreciable lives of 5 to 7 years, and computer equipment items have depreciable lives of 3 years. Repairs and maintenance costs are charged to expense as incurred. Upon sale or retirement of property, plant and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in the consolidated financial statements.

Finite-Lived Intangible Assets (Other than Goodwill)

Intangible assets with finite useful lives are amortized over their estimated useful lives primarily on a straight-line basis. Intangible assets with finite useful lives are reviewed ally for impairment or when facts or circumstances suggest that the carrying value of these assets may not be recoverable.

Goodwill

The recorded amount of goodwill is not subject to amortization and are tested for impairment annually, or more frequently when events or changes in circumstances indicate that the asset might be impaired. No impairment losses were recognized by the Company for the either the six months ended June 30, 2021, or June 30, 2020.

Long-Lived Assets

The Company reviews for impairment long-lived assets, including intangible assets with finite lives, whenever events or changes in circumstances indicate that the carrying amount of any asset may not be recoverable. In the event of impairment, the asset to be held and used is written down to its fair market value. Long-lived assets to be disposed of, if any, are reported at the lower of the carrying amount or fair value less cost to sell. No impairment losses were recognized by the Company for either the six months ended June 30, 2021 or June 30, 2020.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial assets and liabilities, such as cash, accounts receivable, accounts payable and accrued expenses, notes payable, and convertible debt, approximates their fair values because of the short maturity of these instruments.

The following are the hierarchical levels of inputs to measure fair value:

- Level 1 – Observable inputs that reflect quoted market prices in active markets for identical assets or liabilities.
- Level 2 – Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted process for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

Leases

In February 2016, the FASB issued an Accounting Standards Update ("ASU") No. 2016-02, *Leases* (Topic 842) which modifies the accounting for leasing arrangements, particularly those arrangements classified as operating leases under previous lease accounting rules. This update will require entities to recognize the assets and liabilities arising from operating leases on the balance sheet. The Company is in the process of evaluating the effect of adopting ASC 842 upon its adoption for the fiscal year starting January 1, 2022.

Stock Based Compensation – Employees and Non-Employees

In June 2018, the FASB issued ASU No. 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting*, which simplifies several aspects of the accounting for nonemployee share- based payment transactions by expanding the scope of the stock-based compensation guidance in ASC 718 to include share-based payment transactions for acquiring goods and services from non-employees. ASU No. 2018-07 is effective for annual periods beginning after December 15, 2018, including interim periods within those annual periods. Early adoption is permitted, but entities may not adopt prior to adopting the new revenue recognition guidance in ASC 606. Effective January 1, 2019, the Company adopted ASU No. 2018-07 which did not have any material impact on the Company's consolidated financial statements.

The Company accounts for its stock-based compensation in which the Company obtains employee and non-employee services in share-based payment transactions under the recognition and measurement principles of the fair value recognition provisions of section 718-10-30 of the FASB Accounting Standards Codification. Pursuant to paragraph 718-10-30-6 of the FASB Accounting Standards Codification, all transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

The measurement date used to determine the fair value of the equity instrument issued is the earlier of the date on which the performance is complete or the date on which it is probable that performance will occur.

If the Company is a newly formed corporation or shares of the Company are thinly traded, the use of share prices established in the Company's most recent private placement memorandum (based on sales to third parties), or weekly or monthly price observations would generally be more appropriate than the use of daily price observations as such shares could be artificially inflated due to a larger spread between the bid and asked quotes and lack of consistent trading in the market.

Revenue from Contracts with Customers

The Company derives revenues from various sources, including but not limited to, the sale of nutraceutical products to customers through online sales, the sales of branded and private label placental-based amniotic tissue membrane and flowable products through direct sales and distributors, contract manufacturing and sale of repackaged active pharmaceutical ingredients through direct sales.

The Company recognizes product revenue when the Company's performance obligations have been fully satisfied, specifically, when the specified product and quantity ordered has been shipped pursuant to the customer's request, when the sales price as detailed in the purchase order or customer contract is fixed, when the product title and risk of loss for that order has passed to the customer, and collection of the invoice is reasonably assured.

Net Loss Per Share

Basic net loss per share is computed by dividing net loss for the period by the weighted average number of common stock outstanding during each period. Diluted loss per share is computed by dividing net loss for the period by the weighted average number of common stock, common stock equivalents and potentially dilutive securities outstanding during each period.

The following common stock equivalents have been excluded from the computation of diluted loss per share for the three months ending on June 30, 2021, and December 31, 2020, because their impact was antidilutive:

	June 30, 2021	December 31, 2020
Stock Warrants	383,456	383,456
Convertible Debt	112,500	112,500
Preferred Stock	300	300
Total	496,256	496,256

Recently Issued and Adopted Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13 *"Financial Instruments – Credit Losses"* which replaces the incurred loss model with a current expected credit loss ("CECL") model. The CECL model applies to financial assets subject to credit losses and measured at amortized cost and certain off-balance sheet exposures. Under current U.S. GAAP, an entity reflects credit losses on financial assets measured on an amortized cost basis only when losses are probable and have been incurred, generally considering only past events and current conditions in making these determinations. ASU 2016-13 prospectively replaces this approach with a forward-looking methodology that reflects the expected credit losses over the lives of financial assets, starting when such assets are first acquired. Under the revised methodology, credit losses will be measured based on past events, current conditions and reasonable and supportable forecasts that affect the collectability of financial assets.

ASU 2016-13 also revises the approach to recognizing credit losses for available-for-sale securities by replacing the direct write-down approach with the allowance approach and limiting the allowance to the amount at which the security's fair value is less than the amortized cost. In addition, ASU 2016-13 provides that the initial allowance for credit losses on purchased credit impaired financial assets will be recorded as an increase to the purchase price, with subsequent changes to the allowance recorded as a credit loss expense. ASU 2016-13 also expands disclosure requirements regarding an entity's assumptions, models and methods for estimating the allowance for credit losses. The amendments of this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. The adoption of ASU 2016-13 was not material to the consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, *Intangibles - Goodwill and Other* (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this ASU simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test and eliminating the requirement for a reporting unit with a zero or negative carrying amount to perform a qualitative assessment. Instead, under this pronouncement, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment change for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized is not to exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects will be considered, if applicable. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. The adoption of ASU 2017-04 did not have a material impact on the Company's on its consolidated financial statements and related disclosures.

BioStem Technologies, Inc.
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2021

In August 2018, the FASB issued ASU 2018-13, "Fair Value Measurement (Topic 820), - Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement," which makes a number of changes meant to add, modify or remove certain disclosure requirements associated with the movement amongst or hierarchy associated with Level 1, Level 2 and Level 3 fair value measurements. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Although early adoption was permitted upon the issuance of the update, the Company has not yet adopted the guidance. Adoption of ASU 2018-13 did not have a material impact on our consolidated Financial Statements.

Other pronouncements issued by the FASB or other authoritative accounting standards groups with future effective dates are either not applicable or are not expected to be significant to the Company's financial position, results of operations or cash flows.

Note 3 Notes Payable

The notes payable for the three months ended June 30, 2021, and December 31, 2020, are as follows:

	June 30, 2021	December 31, 2020
On July 27, 2018, GMA Bridge Fund, LLC issued a Bridge Loan Agreement and Promissory Note, with a rate of 50 basis points, per month for the first six months and 75 basis points a month through the Maturity Date of July 27, 2019. This agreement has not been repaid on the maturity date. **(1)**	$ 1,000,000	$ 1,000,000
On October 5, 2018, GMA Bridge Fund, LLC issued a Bridge Loan Agreement and Promissory Note, with a rate of 50 basis points, per month for the first six months and 75 basis points a month through the Maturity Date of October 5, 2019. This agreement has not been repaid on the maturity date. **(1)**	2,000,000	2,000,000
On October 29, 2015, the Company financed the purchase of its headquarters for $500,000 with a 5 percent interest rate. The loan is payable monthly, interest only for the term of the loan. The loan matured on April 29, 2017. On February 2, 2018, the Company entered into a Promissory Note and Mortgage to refinance the original mortgage, with an annual interest rate of 12 percent and a maturity date of February 28, 2019. This loan was extended through February 28, 2020, for a fee of $10,000. The loan requires monthly payments of interest and real estate taxes beginning on April 1, 2018. On November 25, 2020, the lender extended the term through May 31, 2021. See Subsequent Events.	500,000	500,000
On December 27, 2018, the Company entered into an Amended and Restated Promissory Note, whereby the original $400,000 convertible debt agreement dated August 17, 2016, and the Company capitalized interest of $28,504. Effective May 17, 2019, the Company entered an Amended and Restate Promissory note, whereby the original convertible debt agreement was considered void. Pursuant to the agreement, the Company capitalized interest of $17,984. The interest accrues at 12 percent effective January 1, 2019. Prior to that date, the interest rate was 3 percent. The loan matures on June 1, 2022. The Company was to make interest only payments through December 31, 2019, and principal and interest payments of $17,178 beginning on January 1, 2020. On April 8, 2020, the terms of the agreement were modified to capitalize accrued and unpaid interest and to require interest only payments through December 31, 2020.	446,488	446,488
On December 5, 2018, the Company entered into a $250,000 Promissory Note, which bears interest at a rate 18 percent per annum, with interest commencing on August 30, 2018, which was the date the purchase price was delivered to the Company. The loan matured on August 30, 2019. The Company is in the process of refinancing this promissory note.	128,948	105,630
On April 30, 2020, the Company entered into a $263,400 Paycheck Protection Program Term Note with PNC Bank. Loan is subject to forgiveness if certain criteria are met, if not, due in two years with 1% of interest. Payments are deferred for the first seven months of the loan.	263,400	263,400
On May 7, 2020, the Company entered into a $142,452 Paycheck Protection Program Term Note with American National Bank. Loan is subject to forgiveness as long as certain criteria are met, if not, due in two years with 1% of interest. Payments are deferred for the first seven months of the loan. The loan was forgiven as of March 3, 2021		142,252

BioStem Technologies, Inc.
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2021

		June 30, 2021		December 31, 2020
On May 18, 2020, the Company entered into a $159,900 Economic Injury Disaster Loan. Installment payments, including principle and interest, of $731 monthly, will begin 12 months from the promissory note May 18, 2021. Interest will accrue at the rate of 3.75%.		165,732		163,650
On February 16, 2021, the Company entered into a $149,200 Paycheck Protection Program Term Note with Newtek Small Business Finance. Loan is subject to forgiveness as long as certain criteria are met, if not, due in two years with 1% of interest. Payments are deferred for the first ten months of the loan.		149,200		-
On February 13, 2021, the Company entered into a $146,300 Paycheck Protection Program Term Note with Newtek Small Business Finance. Loan is subject to forgiveness as long as certain criteria are met, if not, due in two years with 1% of interest. Payments are deferred for the first ten months of the loan.		146,300		-
Total Notes Payable Outstanding		4,800,068		4,621,620
Less current portion		91,872		3,769,281
Notes payable – long-term	$	4,708,196	$	852,339

(1) In August 2019, the Company received notice from GMA Bridge Fund, LLC that the Company is in default for the loan that matured on July 27, 2019, for non-payment and gave the Company notice that the note which matured on October 5, 2019, was also in default. The Company continues to accrue interest on these loans totaling $3.0 million and is in discussion with the lender to renegotiate the terms of these notes.

The convertible notes on June 30, 2021, and December 31, 2020 are discussed below:

Convertible Notes		**June, 30, 2021**		**December 31, 2020**
On December 23, 2019, the Company entered into a Convertible Promissory Note for $150,000 with an interest rate of 8 percent, with a maturity date of December 23, 2020. The Promissory Note is convertible at $2.00 at the Company's sole discretion. On January 7, 2020, the Company entered into a Convertible Promissory Note for $75,000 with an interest rate of 8 percent, with a maturity date of January 7, 2021. The Promissory Note is convertible at $2.00 at the Company's sole discretion. The Company Extended its convertible notes for 150,000 and 75,000 with interest rates of 8 percent, with a maturity date of December 23, 2020 for one year. The new note was consolidated to one note holder with a total of $243,000 with interest rate of 8 percent with a maturity date of December 23, 2021	$	225,000	$	225,000
	$	225,000	$	225,000

The interest expense related to the notes payable for the three months ended June 30, 2021, and 2020 was $127,851 and $133,777, respectively. Amortized loan fees were $0 and $3,000 for the three months ended June 30, 2021, and 2020, respectively.

BioStem Technologies, Inc.
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2021

Note 4 Related Party

Related Party Loans		June 30, 2021		December 31, 2020
On October 4, 2018, the Company entered into a Promissory, with a shareholder and father of the CEO, with a rate of 8 percent, with a maturity date of December 31, 2021. Interest only payments paid monthly.		$250,000		$250,000
On February 5, 2018, the Company entered into a Promissory, with a shareholder and father of CEO with a rate of 8 percent, with a maturity date of December 31, 2021 with monthly Interest only payments.		50,000		50,000
Between September 2017 and July 2018, the Company issued various Promissory Notes with Henry Van Vurst, the Company's former CEO, with a rate of 8 percent per annum all with maturity date of December 31, 2021		151,000		151,000
On July 12, 2018, the Company entered into a Promissory Note with its CEO for $20,030, accruing interest of 8 percent with maturity date of December 31, 2021.		16,861		16,861
Total Related Party Loans	$	467,861	$	$467,861

Effective October 22, 2019, Henry Van Vurst stepped down as the company's Chief Executive Officer and as Chairman of the Board of Directors and the Board of Directors elected Jason Matuszewski, a co-founder, as the company's Chief Executive Officer and Chairman.

The Company has employment contracts with its Chief Executive Officer, Chief Operating Officer and Chief Financial Officer whereby they are to receive a salary plus stock compensation and bonuses based on board approval. These executives have not received their full salaries and the unpaid portion is included in Salaries Payable on the consolidated balance sheets as of June 30, 2021, and December 31, 2020 of $1,027,378 and $952,379, respectively. Included in Salaries Payable is $243,995 owed to Henry Van Vurst the Company's former CEO and Chairman of the Board of Directors as of June 30, 2021, and 2020. The Company plans to settle the liability with the former executive.

Note 5 Capital Lease Obligations

The Company leases certain specialized equipment under lease classified as capital lease. The equipment leases were entered into between September and December 2018, primarily for 60 months, maturing between September 2023 and December 23, 2023.

The capital lease annual principal payments due on December 31,

2022	$	96,037
2023		74,599
2024		44,535
2025		14,850
	$	230,020

Note 6 Stockholders' Equity

Series A-1 Convertible Preferred Shares

The Company has designated 300 shares of preferred stock as "Series A-1 Convertible Preferred Shares".

The Series A-1 Convertible Preferred Shares entitled their holders to a number of votes equal to the number of shares issuable upon conversion times 2,000,000 granting the holders of Series A Convertible Preferred Shares, as a group, effective control of the Company.

Series A-1 Convertible Preferred Shares are convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than $30 million, in whole but not in part, into 300 shares of common stock.

Holders of Series A-1 Convertible Preferred Shares are not entitled to receive dividends, out of assets legally available thereof, prior and in preference to any declaration or payment of any dividend on the common stock or any other capital stock of the Corporation.

Series B-1 Convertible Preferred Shares

The Company has designated 500,000 shares of preferred stock as "Series B-1 Convertible Preferred Shares".

The Series B-1 Convertible Preferred Shares entitled their holders to a number of votes equal to the number of shares issuable upon conversion.

Each Series B-1 Convertible Preferred Share is convertible, at the option of the holders, or automatically upon a Qualified Public Offering resulting in gross proceeds to the Company of not less than $30 million, in whole but no in part, into 6 shares of common stock.

The Series B-1 Preferred Shares shall be entitled to receive an annual dividend, payable in newly issued common stock, in an amount equal to ten percent of the number of then existing Series B-1 Preferred Shares issued and outstanding prior and in preference to any declaration or payment of any dividend on the commo n stock or any other capital stock of the Corporation. This Dividend shall be cumulative.

Note 7 Commitments and Contingencies Employment Agreements

The Company has employment contracts with its Chief Executive Officer and Chief Operating Officer they are to receive a salary plus stock compensation and bonuses based on board approval. These executives have not received their full salaries and the unpaid portion is included in Salaries Payable on the consolidated balance sheets at June 30, 2021 and December 31, 2020 was $1,027,378, and $952,378, respectively. Included in Salaries Payable is $243,995 and $243,995 owed to Henry Van Vurst at the years ended June 30, 2021 and 2020, respectively. The Company plans to settle the liability with the former executive.

Consulting Agreements

On July 27, 2018, and October 5, 2018, the Company entered into consulting agreements with GMA Bridge Holdings, LLC. According to the consulting agreement, the consultant is focused on facilitating meetings with Stem cell medical practices, regenerative medicine companies and early stage with regenerative medicine companies for acquisition or strategic partnerships, The services performed by the consultant would be compensated with a grant of 250,000 and 450,000 restricted shares upon commencement of the these agreements which shall vest over twelve month period valued at $1,062,500 and $1,822,500 at July 27, 2018 and October 5, 2018, respectively, based on the most recent issuance of common shares, included in deferred compensation at December 31, 2018, fully amortized to consulting expense as of December 31, 2019.

On August 9, 2018, the Company entered into a consulting agreement with an outside consultant, Maxim Group as its non-exclusive financial advisor to provide a valuation analysis of the Company and/or targets, assist the company in strategic planning, business plans, organizational structure and potential strategic alliances and capital requirements, The services performed by the Consultant would be compensated with a grant of four (4) percent of the Company's outstanding shares of common stock, or 317,359 or $1,387,328, based on the most recent issuance of common shares, included in deferred compensation at December 31, 2018. The Company has recognized approximately $0 at December 31, 2020 and $842,849 at December 31, 2019.

On October 23, 2018, the Company entered into a consulting agreement with an outside consultant, Advanced Alternative Consulting, Ltd., an Irish Limited Company, to provide the Company with the establishment of European site for business development, a business plan to increase the sales for the Company's products and services, a strategic plan to launch wound care products for the Veterans Administration markets. The services would be compensated with a grant of 200,000 restricted shares upon commencement of the agreement which vest ratably over a 48-month period, valued at $906,000, included in deferred compensation at June 30, 2021 and December 31, 2020, $382,219 and $438,843 respectively, based on the most recent issuance of common shares.

In March 2018 the Company entered into two consulting and advisory agreements with Akquimed Corporation, a Florida corporation, whereby each of the advisors would be compensated with a grant of 50,000 restricted shares, each upon commencement of the agreement which began vesting upon meeting the twelve month of service and vesting over a 4-year period, valued at $220,500 and $228,500. Prior to meeting the twelve months of service, the Company terminate the agreement with consultants. The Company received the shares of common stock from these consultants on October 11, 2020, and the amortization of the deferred compensation has been stopped. The balance related to these shares included in deferred compensation was $0 on June 30, 2021.

On January 15, 2018, the Company entered into a consulting and advisory agreement with Jonathan Braniff, the advisor to serve on the Advisory Committee and to advise the Company for marketing and strategy. This agreement was amended on July 26, 2018, the Company issued 100,000 restricted shares of common stock valued at $433,000, whereby the shares vest 25,000 shares on each anniversary. The balance related to these shares included in deferred compensation was $157,374 and $184,436 on June 30, 2021 and December 31, 2020, respectively.

On March 30, 2020, the company entered into a consulting agreement with Dr. Michael Zahalsky who is the chairman of the medical advisory board and is engaged to identify and recruit clinical members for specific specialties to the medical advisory board. He is also engaged to manage and carry out patient case studies in urology. The contract shall grant the Dr. Zahalsky an option to acquire 20,000 restricted shares of common stock at an exercise price of $1 per share fully vested and exercisable on grant date and expiring on the fifth anniversary of the grant date.

BioStem Technologies, Inc.
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2021

Note 8 Sale of BioStem Wellness, Inc.

The Company owned 100% interest of BioStem Wellness, Inc. as of December 31, 2020. BioStem Wellness, Inc. was sold on February 16, 2021 for $35,000. The gain associated upon the sale is reported in the first quarter 2021 in the consolidated statement of operations.

Sale of BioStem Wellness, Inc.

Proceeds:	$	35,000
Inventory		26,968
Liabilities assumed		(653)
		26,316
Gain on Sale	$	8,684

Note 9 Subsequent Events

The Company has evaluated all other transactions and events after the balance sheet date through August 20, 2021, the date on which these financials were available to be issued, and except as already included below. has determined that no additional disclosures are required.

On February 16, 2021, the Company entered into a $149,200 Paycheck Protection Program Term Note with Newtek Small Business Finance. The loan was forgiven on July 27, 2021.

On February 13, 2021, the Company entered into a $146,300 Paycheck Protection Program Term Note with Newtek Small Business Finance. The loan was forgiven on July 27, 2021.

The Company extended the term of the $500,000 promissory note (Note 4) which originally matured on February 28, 2020, several times through November 30, 2020 and on November 30, 2020 again extended the maturity date to December 31, 2021.