

CREATD INC.

Amendment to Annual Report for 12/31/2024 originally published through the OTC Disclosure & News Service on [04/04/2025](#)

Explanatory Note:

Amending Item #6 to include control person(s) for certain reported entities.

***This coversheet was automatically generated by OTC Markets Group based on the information provided by the Company. OTC Markets Group has not reviewed the contents of this amendment and disclaims all responsibility for the information contained herein.*

Creatd, Inc.

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Annual Report

For the period ending December 31, 2024 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

The number of shares of common stock, par value \$.001, outstanding is 4,662,442 as of December 31, 2024.

The number of shares of Preferred stock, par value \$.001, outstanding was 507,210 as of December 31, 2023.

Shell Status

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

Yes: ☐ No: ☒

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

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control¹⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

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

¹⁴ "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.

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

Creatd, Inc., formerly Jerrick Media Holdings, Inc. (the “Company,” or “Creatd”), is a technology company focused on providing economic opportunities for creators, which it accomplishes through its four main business pillars: Creatd Labs, Creatd Partners, Creatd Ventures, and Creatd Studios. Creatd’s flagship product, Vocal, delivers a robust long-form, digital publishing platform organized into highly engaged niche-communities capable of hosting all forms of rich media content. Through Creatd’s proprietary algorithm dynamics, Vocal enhances the visibility of content and maximizes viewership, providing advertisers access to target markets that most closely match their interests.

The Company was originally incorporated under the laws of the State of Nevada on December 30, 1999, under the name LILM, Inc. The Company changed its name on December 3, 2013, to Great Plains Holdings, Inc. as part of its plan to diversify its business.

On February 5, 2016 (the “Closing Date”), GTPH, GPH Merger Sub, Inc., a Nevada corporation and wholly-owned subsidiary of GTPH (“Merger Sub”), and Jerrick Ventures, Inc., a privately-held Nevada corporation headquartered in New Jersey (“Jerrick”), entered into an Agreement and Plan of Merger (the “Merger”) pursuant to which the Merger Sub was merged with and into Jerrick, with Jerrick surviving as a wholly-owned subsidiary of GTPH (the “Merger”). GTPH acquired, pursuant to the Merger, all of the outstanding capital stock of Jerrick in exchange for issuing Jerrick’s shareholders (the “Jerrick Shareholders”), pro-rata, a total of 950 shares of GTPH’s common stock. In connection therewith, GTPH acquired 33,415 shares of Jerrick’s Series A Convertible Preferred Stock (the “Jerrick Series A Preferred”) and 8,064 shares of Series B Convertible Preferred Stock (the “Jerrick Series B Preferred”).

In connection with the Merger, on the Closing Date, GTPH and Kent Campbell entered into a Spin-Off Agreement (the “Spin-Off Agreement”), pursuant to which Mr. Campbell purchased from GTPH (i) all of GTPH’s interest in Ashland Holdings, LLC, a Florida limited liability company, and (ii) all of GTPH’s interest in Lil Marc, Inc., a Utah corporation, in exchange for the cancellation of 79 shares of GTPH’s Common Stock held by Mr. Campbell. In addition, Mr. Campbell assumed all debts, obligations and liabilities of GTPH, including any existing prior to the Merger, pursuant to the terms and conditions of the Spin-Off Agreement.

Upon closing of the Merger on February 5, 2016, the Company changed its business plan to that of Jerrick.

Effective February 28, 2016, GTPH entered into an Agreement and Plan of Merger (the “Statutory Merger Agreement”) with Jerrick, pursuant to which GTPH became the parent company of Jerrick Ventures, LLC, a wholly-owned operating subsidiary of Jerrick (the “Statutory Merger”) and GTPH changed its name to Jerrick Media Holdings, Inc. to better reflect its new business strategy.

On June 26, 2017, the Company filed to form Abacus Pty Ltd, an Australian-based entity, as a wholly-owned subsidiary of the Company.

On September 9, 2020, the Company filed a certificate of amendment with the Secretary of State of the State of Nevada to change its name to “Creatd, Inc.”, which became effective on September 10, 2020.

Current State and Date of Incorporation or Registration:
Standing in this jurisdiction: (e.g. active, default, inactive):

The company was incorporated in the state of Nevada on February 5, 2016, and is currently active with the State of Nevada.

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

Included in the above summary.

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

None

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

On March 7, 2022, the Company acquired 100% of the membership interests of Denver Bodega, LLC, d/b/a Basis, a Colorado limited liability company ("Basis"). Basis is a direct-to-consumer functional beverage brand that makes high-electrolyte mixes meant to aid hydration. Denver Bodega, LLC has been consolidated due to the Company's ownership of 100% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On April 24, 2022, the Company filed a certificate of amendment with the Secretary of State of the State of Delaware to change the name of OG Gallery, Inc. to "OG Collection, Inc."

On August 1, 2022, the Company acquired 51% of the membership interests of Orbit Media LLC ("Orbit"), a New York limited liability company. Orbit is an app-based stock trading platform designed to empower a new generation of investors. Orbit has been consolidated due to the Company's ownership of 51% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On September 13, 2022, the Company acquired 100% of the membership interests of Brave Foods, LLC ("Brave"), a Maine limited liability company. Brave is a plant-based food company that provides convenient and healthy breakfast food products. Brave Foods, LLC has been consolidated due to the Company's ownership of 100% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On December 13, 2022, an investor entered into a Subscription Agreement whereby it purchased from OG Collection, Inc., a subsidiary of the Company ("OG"), 150,000 shares of common stock of OG for a purchase price of \$750,000, and, in connection therewith OG, the Company, and the Investor entered into a Shareholder Agreement.

On January 9, 2023, the Company acquired an additional 51% of the equity interest in WHE Agency, Inc. bringing its total ownership to 95%.

On January 11, 2023, the Company filed a membership agreement to form CEOBLOC, LLC a wholly owned subsidiary of the Company.

On January 25, 2023, the Company acquired an additional 24.3% equity interest in Dune, Inc. bringing its total ownership to 75%.

On February 1, 2023, an investor entered into a Subscription Agreement whereby it purchased from OG Collection, Inc., a subsidiary of the Company ("OG"), 50,000 shares of common stock of OG for a purchase price of \$250,000, and, in connection therewith OG, the Company, and the Investor entered into a Shareholder Agreement.

On February 3, 2023, the Company acquired an additional 5% of the membership interests of Orbit Media, LLC., bringing its total membership interests to 56%.

On February 7, 2023, the Company acquired an additional 11% equity interest in Dune, Inc. bringing its total ownership to 85%.

On May 30, 2023, the Company acquired an additional 11% equity interest in Dune, Inc. bringing its total ownership to 96%.

On June 30, 2023, the Company acquired an additional 10% of the membership interests of Plant Camp, LLC, bringing its total ownership to 100%.

On July 28, 2023, the Company acquired an additional 17.5% of the membership interests of Orbit Media, LLC, bringing its total membership interests to 74%.

On July 31, 2023, the Company filed a Certificate of Incorporation with the state of Nevada to form Vocal, Inc., a wholly owned subsidiary. Vocal's assets, which had been developed directly under the Company since 2016, were reorganized into this new entity. This restructuring marked a significant step in the growth and evolution of Vocal, which began as part of the Company's business strategy to create a digital publishing platform supporting creators

On October 8, 2023, the Company entered into an Assignment and Assumption Agreement whereby Omega Eats, LLC was assigned 92.5% of the assets owned by Creatd Ventures, LLC pertaining to the operations of Brave and Denver Bodega DBA basis in exchange for \$1 in cash consideration at closing and the assumption of \$214,295 in liabilities related to the operations of these products.

On December 6, 2023, the Company spun-out Orbit Media, LLC, retaining an 17.5% membership interest and returning the remaining membership interest to the founders. As of December 6, 2023, Orbit is no longer consolidated due to the Company's ownership of less than 50% voting control and membership interests.

On July 17, 2024, Creatd entered into a strategic securities swap agreement with Hollywall Entertainment, Inc. Under this agreement, Creatd issued 16,578 shares of its common stock (CRTD) to Hollywall, while Hollywall issued 726,769 shares of its common stock (HWAL) to Creatd. This swap represents a minimum of 0.5% equity in each company, with the agreement forming part of a broader commitment towards potential expanded collaboration, subject to further due diligence.

On July 26, 2024, Creatd acquired 100% of the membership interests in S96 NYC, LLC (Studio 96 Publishing) from Ayelet Abitbul. The terms of the acquisition involved Creatd issuing 35,000 shares of common stock at a cost basis of \$1.20 per share and 65,000 warrants with an exercise price of \$1.20.

On August 1, 2024, Vocal, Inc. granted 48.61% of its membership interests, in the form of shares of Preferred Stock to officers, board members, employees, and consultants ("Key Drivers") involved with operations of Vocal.

On August 1, 2024, OG Collection, Inc. granted 46% of its membership interests, in the form of shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On August 9, 2024, Vocal, Inc. granted an additional 3.01% of its membership interests, in the form of shares of Preferred Stock, to Key Drivers involved with operations of Vocal.

On August 12, 2024, OG Collection, Inc. granted an additional 1.5% of its membership interests, in the form of shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On August 20, 2024, the Company acquired 0.5% of equity in Geopulse Explorations, Inc. a holding company focused on owning and developing technologies in the cannabis industry. As consideration for this acquisition, Geopulse Explorations received 21,675 shares of the Company's common stock.

On October 21, 2024, Vocal, Inc. granted an additional 6.56% of its membership interests, in the form of shares of Preferred Stock, to Key Drivers involved with operations of Vocal.

On November 11, 2024, the Company acquired 5% of equity in THEPOWERHOUSE, LLC, the parent company of thehouseofarts.com and several influential ventures spanning art, fashion, and design. As consideration for this acquisition, The Powerhouse LLC received 333,333 shares of the Company's common stock.

On November 26, 2024, the Company acquired 1% of equity in Enzyloitics, Inc. a biotechnology company focused on developing in the pharmaceutical industry. As consideration for this acquisition, Enzyloitics received 39,824 shares of the Company's common stock.

Address of the issuer's principal executive office:

We are a remote-only company. Accordingly, we do not maintain a headquarters. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, or the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, any stockholder communication required to be sent to our principal executive offices may be directed to 1111B S Governors Ave, STE 20721, Dover, DE 19904.

Address of the issuer's principal place of business:

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

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

No: ☒ Yes: ☐

2) Security Information

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: 702-361-3033
Email: ipstc@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy, Suite 300, Las Vegas, Nevada 89119

Publicly Quoted or Traded Securities:

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

| | |
|--|---------------------------------------|
| Trading symbol: | CRTD |
| Exact title and class of securities outstanding: | Common |
| CUSIP: | 225265305 |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 1,500,000,000 as of December 31, 2024 |
| Total shares outstanding: | 4,662,442 as of December 31, 2024 |
| Total number of shareholders of record: | 245 as of December 31, 2024 |

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

| | |
|--|-----------|
| Trading symbol: | CRTDW |
| Exact title and class of securities outstanding: | Warrant |
| CUSIP: | 225265115 |

| | |
|---|-----------------------------------|
| Par or stated value: | \$0.001 |
| Total shares authorized: | 2,885,621 as of December 31, 2024 |
| Total shares outstanding: | 2,542,500 as of December 31, 2024 |
| Total number of shareholders of record: | 9 as of December 31, 2024 |

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

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

| | |
|---|-------------------------------|
| Exact title and class of the security: | Preferred Series E |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 8,000 as of December 31, 2024 |
| Total shares outstanding: | 450 as of December 31, 2024 |
| Total number of shareholders of record: | 0 as of December 31, 2024 |

| | |
|---|-----------------------------------|
| Exact title and class of the security: | Preferred Series F |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 5,500,000 as of December 31, 2024 |
| Total shares outstanding: | 3,088 as of December 31, 2024 |
| Total number of shareholders of record: | 15 as of December 31st, 2024 |

| | |
|---|---------------------------------|
| Exact title and class of the security: | Preferred Series G |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 500,000 as of December 31, 2024 |
| Total shares outstanding: | 1,904 as of December 31, 2024 |
| Total number of shareholders of record: | 7 as of December 31, 2024 |

| | |
|---|-----------------------------------|
| Exact title and class of the security: | Preferred Series H |
| Par or stated value: | \$0.001 |
| Total shares authorized: | 5,500,000 as of December 31, 2024 |
| Total shares outstanding: | 3,798 as of December 31, 2024 |
| Total number of shareholders of record: | 8 as of December 31, 2024 |

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 of the Company is eligible to receive dividends per share as declared by the Company's Board of Directors. The holders of Company Common Stock are entitled to one vote per share of Common Stock held on all matters that may be voted upon by stockholders as required by law and the Company's Articles of Incorporation and Bylaws. The Common Stock has no preemptive rights.

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

Series E Preferred Stock

The shares of Series E Preferred Stock have a stated value of \$1,000 per share and are convertible into Common Stock at the election of the holder of the Series E Preferred Stock, at any time following the Original Issue Date at a price of \$2,060 per share, subject to adjustment. Each holder of Series E Preferred Stock shall be entitled to receive, with respect to each share of Series E Preferred Stock then outstanding and held by such holder, dividends on an as-converted basis in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock.

The holders of Series E Preferred Stock shall be paid pari passu with the holders of Common Stock with respect to payment of dividends and rights upon liquidation and shall have no voting rights. In addition, as further described in the Series E Designation, as long as any of the shares of Series E Preferred Stock are outstanding, the Company shall not, without the affirmative vote of the holders of a majority of the then outstanding shares of Series E Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Series E Preferred Stock or alter or amend this Series E Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the holders of the Series E Preferred Stock, (c) increase the number of authorized shares of Series E Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing.

Each share of Series E Preferred Stock shall be convertible, at any time and from time to time at the option of the holder of such shares, into that number of shares of Common Stock determined by dividing the Series E Stated Value by the Conversion Price, subject to certain beneficial ownership limitations.

Series F Preferred Stock

The shares of Series F Preferred Stock have a stated value of \$1,000 per share and are convertible into Common Stock at the election of the holder of the Series F Preferred Stock, at any time following the Original Issue Date at a price of \$5.00 per share, subject to adjustment. Each holder of Series F Preferred Stock shall be entitled to receive, with respect to each share of Series F Preferred Stock then outstanding and held by such holder, dividends on an as-converted basis in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely

affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any shares of Preferred Stock, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder.

Series G Preferred Stock

The shares of Series G Preferred Stock have a stated value of \$750 per share and are convertible into Common Stock at the election of the holder of the Series G Preferred Stock, at any time following the Original Issue Date at a price of \$1.00 per share, subject to adjustment. Each holder of Series G Preferred Stock shall be entitled to receive, with respect to each share of Series G Preferred Stock then outstanding and held by such holder, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any shares of Preferred Stock, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder.

Series H Preferred Stock

The shares of Series H Preferred Stock have a stated value of \$100 per share and are convertible into Common Stock at the election of the holder of the Series G Preferred Stock, at any time following the Original Issue Date at a price of \$1.00 per share, subject to adjustment. Each holder of Series H Preferred Stock shall be entitled to receive, with respect to each share of Series H Preferred Stock then outstanding and held by such holder, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to

vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any shares of Preferred Stock, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder.

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

N/A

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.**

N/A

3) Issuance History

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

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

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

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

No: ☐ Yes: ☒

All values have been updated to reflect the 1:500 reverse stock split of our common stock effectuated on January 24, 2024.

| Shares Outstanding Opening Balance: Date: 1/1/2023 Common: 78,125 Preferred: 450 | | | *Right-click the rows below and select "Insert" to add rows as needed. | | | | | | |
|---|--|--|--|---|--|--|---|---|---------------------------------|
| Date of Transaction | Transaction type (e.g., new issuance, cancellation, shares returned to treasury) | Number of Shares Issued (or cancelled) | Class of Securities | Value of shares issued (\$/per share) at Issuance | Were the shares issued at a discount to market price at the time of issuance? (Yes/No) | Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed. | Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided | Restricted or Unrestricted as of this filing. | Exemption or Registration Type. |
| 12/28/2022 | Issuance | 600 | Common | \$100 | No | Andrew Arno | Warrant Exercise | Unrestricted | S-1 |
| 1/17/2023 | Issuance | 227 | Common | \$350 | No | 1800 Diagonal Lending LLC; Curt Kramer | Note Conversion | Unrestricted | Rule 144 |
| 1/25/2023 | Issuance | 3,125 | Common | \$337.50 | No | Dorado Goose LLC; Tommy Wang | Cash | Restricted | N/A |
| 1/25/2023 | Issuance | 200 | Common | \$337.50 | No | Punch Inc; Tom Punch | M&A | Restricted | N/A |
| 2/7/2023 | Issuance | 2,002 | Common | \$315 | No | Punch Inc; Tom Punch | M&A | Restricted | N/A |
| 2/8/2023 | Issuance | 3,326 | Common | \$310 | No | Chelsea Pullano | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 1,155 | Common | \$310 | No | Robby Tal | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 21,385 | Common | \$310 | No | Jeremy Frommer | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 11,790 | Common | \$310 | No | Justin Maury | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 2,418 | Common | \$310 | No | Erica Wager | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 3,878 | Common | \$310 | No | Peter Majar | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 3,740 | Common | \$310 | No | Tom Punch | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 1,803 | Common | \$310 | No | Gina Callea | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 509 | Common | \$310 | No | Christian Johnson | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 221 | Common | \$310 | No | Allie Mennen | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 1,709 | Common | \$310 | No | Tracy Willis | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 1,176 | Common | \$310 | No | Brielle Jeffries | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 725 | Common | \$310 | No | Rachel David | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 851 | Common | \$310 | No | Max Avellaneda | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 444 | Common | \$310 | No | Blake O'Connor | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 406 | Common | \$310 | No | Caitlin Nightingale | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 396 | Common | \$310 | No | Sara Friedland | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 562 | Common | \$310 | No | Christopher Riggio | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 560 | Common | \$310 | No | Gina Bochis | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 360 | Common | \$310 | No | Fiona Lenz | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 322 | Common | \$310 | No | Briana Bazail | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 357 | Common | \$310 | No | Nick Scibilia | Services | Restricted | N/A |
| 2/8/2023 | Issuance | 248 | Common | \$310 | No | Ameya Rao | Services | Restricted | N/A |
| 2/10/2023 | Issuance | 8,667 | Common | \$287.50 | No | Dorado Goose LLC; Tommy Wang | Note Conversion | Restricted | N/A |

| | | | | | | | | | |
|-----------|----------|-------|--------|----------|-----|--|------------------|--------------|-----|
| 2/13/2023 | Issuance | 400 | Common | \$294 | No | Anson Investments Master Fund LP; Amin Nathoo | Warrant Exercise | Unrestricted | S-1 |
| 2/13/2023 | Issuance | 100 | Common | \$294 | No | Anson East Master Fund LP; Amin Nathoo | Warrant Exercise | Unrestricted | S-1 |
| 2/13/2023 | Issuance | 75 | Common | \$294 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Warrant Exercise | Unrestricted | S-1 |
| 2/13/2023 | Issuance | 5,000 | Common | \$294 | No | Dorado Goose LLC; Tommy Wang | Note Conversion | Restricted | N/A |
| 2/13/2023 | Issuance | 250 | Common | \$294 | No | Nicholas Scibilia | M&A | Restricted | N/A |
| 2/13/2023 | Issuance | 200 | Common | \$294 | No | Tracy Willis | M&A | Restricted | N/A |
| 2/14/2023 | Issuance | 169 | Common | \$240 | No | Linda Mackay | Warrant Exercise | Unrestricted | S-1 |
| 2/14/2023 | Issuance | 21 | Common | \$240 | No | Punch Inc; Tom Punch | Services | Restricted | N/A |
| 2/15/2023 | Issuance | 690 | Common | \$245 | No | Andrew Arno | Warrant Exercise | Unrestricted | S-1 |
| 2/16/2023 | Issuance | 1,865 | Common | \$225 | No | Joseph Reda | Warrant Exercise | Unrestricted | S-1 |
| 2/16/2023 | Issuance | 924 | Common | \$225 | No | Jonathan Schechter | Warrant Exercise | Unrestricted | S-1 |
| 2/17/2023 | Issuance | 100 | Common | \$210.50 | No | Gregory Castaldo | Warrant Exercise | Unrestricted | S-1 |
| 2/28/2023 | Issuance | 2,500 | Common | \$85.50 | No | Arthur Rosen | Services | Restricted | N/A |
| 3/7/2023 | Issuance | 1,286 | Common | \$133.50 | No | Anson Investments Master Fund LP; Amin Nathoo | Warrant Exercise | Unrestricted | S-1 |
| 3/7/2023 | Issuance | 321 | Common | \$133.50 | No | Anson East Master Fund LP; Amin Nathoo | Warrant Exercise | Unrestricted | S-1 |
| 3/8/2023 | Issuance | 386 | Common | \$100 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Warrant Exercise | Unrestricted | S-1 |
| 3/10/2023 | Issuance | 804 | Common | \$100 | No | Joseph Reda | Warrant Exercise | Unrestricted | S-1 |
| 3/10/2023 | Issuance | 96 | Common | \$100 | No | Andrew Arno | Warrant Exercise | Unrestricted | S-1 |
| 3/13/2023 | Issuance | 3,000 | Common | \$77.50 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 3/13/2023 | Issuance | 320 | Common | \$77.50 | No | Gregory Castaldo | Warrant Exercise | Unrestricted | S-1 |
| 3/14/2023 | Issuance | 88 | Common | \$56.50 | No | Punch Inc; Tom Punch | Services | Restricted | N/A |
| 3/27/2023 | Issuance | 579 | Common | \$65 | No | Elizabeth Palughi | Services | Restricted | N/A |
| 3/27/2023 | Issuance | 116 | Common | \$65 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 3/27/2023 | Issuance | 3,091 | Common | \$65 | No | Christian Johnson | Services | Restricted | N/A |
| 4/26/2023 | Issuance | 450 | Common | \$57 | No | Integra Consulting Group LLC; Jeremy Roe | Services | Restricted | N/A |
| 4/26/2023 | Issuance | 200 | Common | \$57 | No | John Luppo | Services | Restricted | N/A |
| 4/26/2023 | Issuance | 500 | Common | \$57 | No | Luppo Ministries; John Luppo | Services | Restricted | N/A |
| 4/26/2023 | Issuance | 200 | Common | \$57 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 5/3/2023 | Issuance | 2,820 | Common | \$44 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 5/3/2023 | Issuance | 5,459 | Common | \$44 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 5/16/2023 | Issuance | 750 | Common | \$35 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 5/30/2023 | Issuance | 1,139 | Common | \$28 | No | Henry Springer | Note Conversion | Restricted | N/A |
| 5/30/2023 | Issuance | 463 | Common | \$28 | No | Mark DeLuca | M&A | Restricted | N/A |
| 5/30/2023 | Issuance | 520 | Common | \$28 | No | Stephanie Roy Dufault | M&A | Restricted | N/A |

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|-----------|----------|--------|--------|---------|----|--|------------------|--------------|----------|
| 5/31/2023 | Issuance | 200 | Common | \$28.50 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 2,765 | Common | \$21.50 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 6/20/2023 | Issuance | 2,356 | Common | \$21.50 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 6/20/2023 | Issuance | 3,022 | Common | \$21.50 | No | Jeremy Frommer | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 2,500 | Common | \$21.50 | No | Justin Maury | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 2,000 | Common | \$21.50 | No | Peter Majar | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 100 | Common | \$21.50 | No | Chelsea Pullano | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 500 | Common | \$21.50 | No | Erica Wagner | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 1,150 | Common | \$21.50 | No | Robert Tal | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 2,000 | Common | \$21.50 | No | Eric Pickens | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 100 | Common | \$21.50 | No | Gina Callea | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 333 | Common | \$21.50 | No | Christopher Riggio | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 333 | Common | \$21.50 | No | Gina Bochis | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 333 | Common | \$21.50 | No | Rachel David | Services | Restricted | N/A |
| 6/20/2023 | Issuance | 100 | Common | \$21.50 | No | Jessica Lee | Services | Restricted | N/A |
| 6/29/2023 | Issuance | 1,000 | Common | \$22 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 6/29/2023 | Issuance | 1,300 | Common | \$22 | No | John Luppo | Services | Restricted | N/A |
| 6/30/2023 | Issuance | 200 | Common | \$22.50 | No | Angela Hein | M&A | Restricted | N/A |
| 6/30/2023 | Issuance | 200 | Common | \$22.50 | No | Heidi Brown | M&A | Restricted | N/A |
| 7/10/2023 | Issuance | 866 | Common | \$12.50 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Warrant Exercise | Unrestricted | S-1 |
| 7/10/2023 | Issuance | 10,395 | Common | \$12.50 | No | Joseph Reda | Warrant Exercise | Unrestricted | S-1 |
| 7/10/2023 | Issuance | 4,428 | Common | \$12.50 | No | Gregory Castaldo | Warrant Exercise | Unrestricted | S-1 |
| 7/10/2023 | Issuance | 2,310 | Common | \$12.50 | No | Andrew Arno | Warrant Exercise | Unrestricted | S-1 |
| 7/10/2023 | Issuance | 481 | Common | \$12.51 | No | Brio Capital Master Fund Ltd.; Shaye Hirsch | Warrant Exercise | Unrestricted | S-1 |
| 7/11/2023 | Issuance | 4,500 | Common | \$36.50 | No | Coventry Enterprises LLC; Jack Bodenstein | Loan Incentive | Unrestricted | S-1 |
| 7/28/2023 | Issuance | 2,188 | Common | \$20.50 | No | Nicholas Scibilia | M&A | Restricted | N/A |
| 7/31/2023 | Issuance | 4,000 | Common | \$21 | No | Quick Capital LLC; Eilon Natan | Loan Incentive | Restricted | N/A |
| 8/28/2023 | Issuance | 1,047 | Common | \$16 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 8/28/2023 | Issuance | 10,000 | Common | \$16 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 9/5/2023 | Issuance | 200 | Common | \$17 | No | John Luppo | Services | Restricted | N/A |
| 9/5/2023 | Issuance | 500 | Common | \$17 | No | Ronald Nash | Services | Restricted | N/A |
| 9/5/2023 | Issuance | 2,050 | Common | \$17 | No | Integra Consulting Group LLC; Jeremy Roe | Services | Restricted | N/A |
| 9/5/2023 | Issuance | 1,454 | Common | \$17 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 9/5/2023 | Issuance | 8,255 | Common | \$11.77 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |

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|------------|----------|--------|--------|---------|-----|--|-----------------|--------------|----------|
| 9/8/2023 | Issuance | 2,000 | Common | \$15 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 9/14/2023 | Issuance | 500 | Common | \$9.50 | No | Ronald Nash | Services | Restricted | N/A |
| 9/14/2023 | Issuance | 5,000 | Common | \$9.50 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 9/18/2023 | Issuance | 7,717 | Common | \$8.50 | No | Joseph Reda | Note Conversion | Restricted | N/A |
| 9/26/2023 | Issuance | 1,250 | Common | \$10.50 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 10/3/2023 | Issuance | 12,000 | Common | \$7.50 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 10/6/2023 | Issuance | 10,000 | Common | \$11 | No | Dorado Goose LLC; Tommy Wang | Loan Incentive | Restricted | N/A |
| 10/11/2023 | Issuance | 3,056 | Common | \$15 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Note Conversion | Unrestricted | Rule 144 |
| 10/13/2023 | Issuance | 343 | Common | \$18.50 | No | Andrew Arno | Note Conversion | Unrestricted | Rule 144 |
| 10/13/2023 | Issuance | 11,507 | Common | \$18.50 | No | Laurie Weisberg | Services | Restricted | N/A |
| 10/20/2023 | Issuance | 8,485 | Common | \$8.84 | No | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 10/23/2023 | Issuance | 2,941 | Common | \$8.50 | No | James Satloff TTEE Dustin Nathaniel Satloff 06/01/93 | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 2,941 | Common | \$8.50 | No | James Satloff TTEE Jean Satloff Trust 08/07/96 | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 2,941 | Common | \$8.50 | No | James Satloff & Emily Satloff JTEN | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 2,941 | Common | \$8.50 | No | James Satloff TTEE Emily U Satloff Family Trust 03/25/93 | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 2,000 | Common | \$8.50 | No | Gregory Castaldo | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 5,000 | Common | \$8.50 | No | Joseph Reda | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 2,000 | Common | \$8.50 | No | Jonathan Schechter | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 3,493 | Common | \$8.50 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Cash | Restricted | N/A |
| 10/23/2023 | Issuance | 3,000 | Common | \$11 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 10/27/2023 | Issuance | 2,250 | Common | \$8.50 | No | Gina Callea | Services | Restricted | N/A |
| 10/27/2023 | Issuance | 2,250 | Common | \$8.50 | No | Rachel David | Services | Restricted | N/A |
| 11/1/2023 | Issuance | 10,000 | Common | \$8 | No | Auctus Fund LLC; Lou Posner | Loan Incentive | Restricted | N/A |
| 11/2/2023 | Issuance | 13,053 | Common | \$9 | No | Quick Capital LLC; Eilon Natan | Loan Incentive | Restricted | N/A |
| 11/3/2023 | Issuance | 8,058 | Common | \$5.44 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 11/9/2023 | Issuance | 20,000 | Common | \$6.50 | No | Lucosky Brookman LLP; Seth Brookman | Services | Restricted | N/A |
| 11/9/2023 | Issuance | 2,000 | Common | \$6.50 | No | Ayelet Abitbul | Services | Restricted | N/A |
| 11/20/2023 | Issuance | 7,342 | Common | \$4.61 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 11/27/2023 | Issuance | 9,000 | Common | \$7 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 11/30/2023 | Issuance | 6,870 | Common | \$4.37 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 12/1/2023 | Issuance | 4,688 | Common | \$6 | Yes | 1800 Diagonal Lending LLC; Curt Kramer | Note Conversion | Unrestricted | Rule 144 |
| 12/5/2023 | Issuance | 5,172 | Common | \$5 | Yes | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |

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|------------|----------|--------|-----------|---------|-----|--|---------------------------|--------------|----------|
| 12/6/2023 | Issuance | 15,000 | Common | \$4.50 | Yes | 1800 Diagonal Lending LLC; Curt Kramer | Note Conversion | Unrestricted | Rule 144 |
| 12/11/2023 | Issuance | 5,748 | Common | \$4 | Yes | 1800 Diagonal Lending LLC; Curt Kramer | Note Conversion | Unrestricted | Rule 144 |
| 12/12/2023 | Issuance | 10,116 | Common | \$3.59 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 12/15/2023 | Issuance | 16,000 | Common | \$5 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 12/22/2023 | Issuance | 22,000 | Common | \$5 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 1/4/2024 | Issuance | 14,704 | Common | \$1.89 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 1/9/2024 | Issuance | 20,000 | Common | \$5.00 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 1/10/2024 | Issuance | 14,000 | Common | \$2.00 | No | Quick Capital LLC; Eilon Natan | Loan Incentive | Restricted | N/A |
| 1/24/2024 | Issuance | 18,920 | Common | \$3.40 | No | Misc. | Reverse Split Rounding | Various | N/A |
| 2/9/2024 | Issuance | 364 | Preferred | \$1,000 | No | Andrew Arno | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 480 | Preferred | \$1,000 | No | Anson East Master Fund LP; Amin Nathoo | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 1,915 | Preferred | \$1,000 | No | Anson Investments Master Fund LP; Amin Nathoo | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 142 | Preferred | \$1,000 | No | Brio Capital Master Fund Ltd.; Shaye Hirsch | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 20 | Preferred | \$1,000 | No | Daniel Ripp | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 2,253 | Preferred | \$1,000 | No | Dorado Goose LLC; Tommy Wang | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 595 | Preferred | \$1,000 | No | Gregory Castaldo | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 30 | Preferred | \$1,000 | No | James Satloff TTEE Dustin Nathaniel Satloff 06/01/93 | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 30 | Preferred | \$1,000 | No | James Satloff TTEE Jean Satloff Trust 08/07/96 | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 30 | Preferred | \$1,000 | No | James Satloff & Emily Satloff JTEN | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 30 | Preferred | \$1,000 | No | James Satloff TTEE Emily U Satloff Family Trust 03/25/93 | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 198 | Preferred | \$1,000 | No | Jonathan Schechter | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 1,216 | Preferred | \$1,000 | No | Joseph Reda | Conversion into Preferred | Restricted | N/A |
| 2/9/2024 | Issuance | 410 | Preferred | \$1,000 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Conversion into Preferred | Restricted | N/A |
| 2/12/2024 | Issuance | 16,424 | Common | \$5 | No | Joseph Reda | Note Conversion | Unrestricted | Rule 144 |
| 2/28/2024 | Issuance | 2,300 | Common | \$4.90 | No | Gina Callea | Services | Restricted | N/A |
| 3/12/2024 | Issuance | 10,000 | Common | \$6.60 | No | Brian McLain | Services | Restricted | N/A |
| 3/12/2024 | Issuance | 7,143 | Common | \$3.50 | Yes | Leonard Schiller | Cash | Restricted | N/A |
| 3/12/2024 | Issuance | 10,000 | Common | \$6.60 | No | John Lupp | Services | Restricted | N/A |
| 3/14/2024 | Issuance | 15,000 | Common | \$8 | No | Network 1 Advisory | Services | Restricted | N/A |
| 3/15/2024 | Issuance | 1,287 | Common | \$3.50 | Yes | John Lupp | Note Conversion | Restricted | N/A |

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|-----------|------------|---------|--------|---------|-----|--|-----------------------------------|--------------|-----|
| 3/15/2024 | Issuance | 16,000 | Common | \$5 | No | Anson East Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Restricted | N/A |
| 3/15/2024 | Issuance | 64,000 | Common | \$5 | No | Anson Investments Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Restricted | N/A |
| 3/15/2024 | Issuance | 80,000 | Common | \$5 | No | Joseph Reda | Conversion of Preferred to Common | Restricted | N/A |
| 3/15/2024 | Issuance | 39,600 | Common | \$5 | No | Jonathan Schechter | Conversion of Preferred to Common | Restricted | N/A |
| 3/15/2024 | Issuance | 40,000 | Common | \$5 | No | Gregory Castaldo | Conversion of Preferred to Common | Restricted | N/A |
| 3/18/2024 | Issuance | 72,800 | Common | \$5 | No | Andrew Arno | Conversion of Preferred to Common | Restricted | N/A |
| 3/18/2024 | Rescission | -343 | Common | \$12.50 | No | Andrew Arno | Cancellation of Note Conversion | N/A | N/A |
| 3/19/2024 | Issuance | 5,000 | Common | \$8 | No | Auctus Fund LLC; Lou Posner | Note Conversion | Unrestricted | S-1 |
| 3/20/2024 | Issuance | 24,000 | Common | \$5 | No | James Satloff | Conversion of Preferred to Common | Restricted | N/A |
| 3/22/2024 | Issuance | 51,895 | Common | \$5 | No | MACK Financial Solutions LLC; Chelsea Pullano | Services | Restricted | N/A |
| 3/26/2024 | Issuance | 23,848 | Common | \$3.52 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Cash | Unrestricted | S-1 |
| 3/26/2024 | Issuance | 3,500 | Common | \$4.75 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Loan Incentive | Restricted | N/A |
| 3/25/2024 | Issuance | 3,000 | Common | \$5.57 | No | Quick Capital LLC; Eilon Natan | Loan Incentive | Restricted | N/A |
| 4/8/2024 | Issuance | 10,000 | Common | \$2.50 | Yes | Alan Eckard | Cash | Restricted | N/A |
| 4/22/2024 | Issuance | 172,550 | Common | \$1.81 | No | Jeremy Frommer | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 102,938 | Common | \$1.81 | No | Justin Maury | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 72,928 | Common | \$1.81 | No | Robert Tal | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 18,508 | Common | \$1.81 | No | Christopher Riggio | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 17,698 | Common | \$1.81 | No | Gina Bochis | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 65,052 | Common | \$1.81 | No | Aya Abitbul | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 103,545 | Common | \$1.81 | No | Peter Majar | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 38,546 | Common | \$1.81 | No | Erica Wagner | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 30,357 | Common | \$1.81 | No | Eric Pickens | Payable Conversion | Restricted | N/A |
| 4/22/2024 | Issuance | 69,723 | Common | \$1.81 | No | MACK Financial Solutions LLC; Chelsea Pullano | Payable Conversion | Restricted | N/A |

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|-----------|------------|---------|--------|--------|----|---|---|--------------|----------|
| 5/17/2024 | Rescission | -10,000 | Common | \$2.30 | No | Brian McLain | Services | Restricted | N/A |
| 4/22/2024 | Issuance | 11,436 | Common | \$1.81 | No | Gina Callea | Services | Restricted | N/A |
| 5/28/2024 | Issuance | 55,000 | Common | \$1.80 | No | Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic | Services | Restricted | N/A |
| 6/7/2024 | Issuance | 14,706 | Common | \$1.79 | No | Eric Pickens | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 43,015 | Common | \$1.79 | No | MACK Financial Solutions LLC; Chelsea Pullano | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 39,152 | Common | \$1.79 | No | Justin Maury | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 40,586 | Common | \$1.79 | No | Robert Tal | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 30,054 | Common | \$1.79 | No | Erica Wagner | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 9,375 | Common | \$1.79 | No | Gina Bochis | Payable Conversion | Restricted | N/A |
| 6/7/2024 | Issuance | 42,647 | Common | \$1.79 | No | Peter Majar | Payable Conversion | Restricted | N/A |
| 6/25/2024 | Issuance | 82,000 | Common | \$5.00 | No | L1 Capital Global Opportunities Master Fund; David Feldman | Conversion of Preferred to Common | Restricted | N/A |
| 6/25/2024 | Issuance | 163,200 | Common | \$5.00 | No | Joe Reda | Conversion of Preferred to Common | Restricted | N/A |
| 6/25/2024 | Issuance | 28,400 | Common | \$5.00 | No | Brio Capital Master Fund Ltd.; Shaye Hirsch | Conversion of Preferred to Common | Restricted | N/A |
| 6/27/2024 | Issuance | 38,000 | Common | \$5.00 | No | Anson East Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Restricted | N/A |
| 6/27/2024 | Issuance | 152,000 | Common | \$5.00 | No | Anson Investments Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Restricted | N/A |
| 6/27/2024 | Issuance | 79,000 | Common | \$5.00 | No | Gregory Castaldo | Conversion of Preferred to Common | Restricted | N/A |
| 6/26/2024 | Issuance | 45,858 | Common | \$1.59 | No | Justin Maury | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 16,332 | Common | \$1.59 | No | Jeremy Frommer | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 45,858 | Common | \$1.59 | No | Robert Tal | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 42,308 | Common | \$1.59 | No | Peter Majar | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 8,588 | Common | \$1.59 | No | Aya Abitbul | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 25,642 | Common | \$1.59 | No | MACK Financial Solutions LLC; Chelsea Pullano | Payable Conversion | Restricted | N/A |
| 6/26/2024 | Issuance | 32,118 | Common | \$1.59 | No | Erica Wagner | Payable Conversion | Restricted | N/A |
| 7/2/2024 | Issuance | 231,815 | Common | \$1.18 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Note Conversion | Unrestricted | Rule 144 |

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|-----------|----------|---------|-----------|--------|-----|--|-----------------------------------|--------------|----------|
| 7/5/2024 | Issuance | 2,060 | Common | \$1.10 | No | James Satloff | Loan Incentive | Restricted | N/A |
| 7/8/2024 | Issuance | 9,615 | Common | \$1.07 | No | Gina Callea | Services | Restricted | N/A |
| 7/10/2024 | Issuance | 275,000 | Common | \$1.20 | No | Quick Capital LLC; Eilon Natan | Note Conversion | Unrestricted | Rule 144 |
| 7/15/2024 | Issuance | 128,205 | Common | \$0.32 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Note Conversion | Unrestricted | Rule 144 |
| 7/17/2024 | Issuance | 16,578 | Common | \$1.00 | No | Hollywall Entertainment; Roxanna Green | Shares Issued for Acquisition | Restricted | N/A |
| 7/22/2024 | Issuance | 171,039 | Common | \$0.78 | No | 1800 Diagonal Lending LLC; Curt Kramer | Note Conversion | Unrestricted | Rule 144 |
| 7/22/2024 | Issuance | 10,461 | Common | \$0.90 | No | 1800 Diagonal Lending LLC; Curt Kramer | Loan Incentive | Unrestricted | Rule 144 |
| 7/24/2024 | Issuance | 165,000 | Common | \$0.94 | No | Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic | Services | Restricted | N/A |
| 7/25/2024 | Issuance | 20,000 | Common | \$5.00 | No | Anson East Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Unrestricted | S-1 |
| 7/25/2024 | Issuance | 80,000 | Common | \$5.00 | No | Anson Investments Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Unrestricted | S-1 |
| 7/26/2024 | Issuance | 35,000 | Common | \$1.09 | No | Studio96; Ayelet Abitbul | Shares Issued for Acquisition | Restricted | N/A |
| 7/29/2024 | Issuance | 81,924 | Common | \$1.20 | No | Auctus Fund LLC; Lou Posner | Note Conversion | Unrestricted | Rule 144 |
| 7/31/2024 | Issuance | 11,400 | Common | \$5.00 | No | Anson East Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Unrestricted | S-1 |
| 7/31/2024 | Issuance | 45,600 | Common | \$5.00 | No | Anson Investments Master Fund LP; Amin Nathoo | Conversion of Preferred to Common | Unrestricted | S-1 |
| 8/1/2024 | Issuance | 4,000 | Common | \$5.00 | No | Daniel Ripp | Conversion of Preferred to Common | Restricted | N/A |
| 8/13/2024 | Issuance | 125,000 | Common | \$0.85 | No | AKJO-26, LLC; Albert Makali | Services | Restricted | N/A |
| 8/20/2024 | Issuance | 5,000 | Common | \$0.84 | No | Gladstone Corporation; Stan Elbaum | Services | Restricted | N/A |
| 8/20/2024 | Issuance | 5,000 | Common | \$0.84 | No | Gina Callea | Services | Restricted | N/A |
| 8/27/2024 | Issuance | 67 | Preferred | 750 | No | Joseph Reda | Cash | Restricted | N/A |
| 8/28/2024 | Issuance | 134 | Preferred | 750 | No | Christian Johnson | Services | Restricted | N/A |
| 8/30/2024 | Issuance | 62 | Preferred | \$750 | No | Joe Reda | Note Conversion | Restricted | N/A |
| 8/30/2024 | Issuance | 62 | Preferred | \$750 | No | Richard Molinsky | Note Conversion | Restricted | N/A |
| 9/3/2024 | Issuance | 435 | Preferred | \$750 | No | Dorado Goose LLC; Tommy Wang | Note Conversion | Restricted | N/A |
| 9/6/2024 | Issuance | 34 | Preferred | 750 | No | Dorado Goose LLC; Tommy Wang | Note Conversion | Restricted | N/A |
| 9/12/2024 | Issuance | 161,346 | Common | \$0.26 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Note Conversion | Unrestricted | Rule 144 |
| 9/19/2024 | Issuance | 34 | Preferred | 750 | No | Joe Reda | Cash | Restricted | N/A |
| 9/20/2024 | Issuance | 34 | Preferred | 750 | No | Dorado Goose LLC; Tommy Wang | Cash | Restricted | N/A |
| 9/27/2024 | Issuance | 456 | Common | \$0.38 | No | Erica Wagner | Services | Restricted | N/A |
| 9/27/2024 | Issuance | 116 | Common | \$0.38 | No | Peter Majar | Services | Restricted | N/A |

| | | | | | | | | | |
|-----------|--------------|----------|--------|--------|-----|--|------------------------------------|-----|-----|
| 9/30/2024 | Cancellation | -172,550 | Common | \$0.42 | N/A | Jeremy Frommer | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -102,938 | Common | \$0.42 | N/A | Justin Maury | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -72,928 | Common | \$0.42 | N/A | Robert Tal | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -18,508 | Common | \$0.42 | N/A | Christopher Riggio | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -17,698 | Common | \$0.42 | N/A | Gina Bochis | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -65,052 | Common | \$0.42 | N/A | Aya Abitbul | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -103,545 | Common | \$0.42 | N/A | Peter Majar | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -38,546 | Common | \$0.42 | N/A | Erica Wagner | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -69,723 | Common | \$0.42 | N/A | MACK Financial Solutions; Chelsea Pullano | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -43,015 | Common | \$0.42 | N/A | MACK Financial Solutions; Chelsea Pullano | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -39,152 | Common | \$0.42 | N/A | Justin Maury | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -40,586 | Common | \$0.42 | N/A | Robert Tal | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -30,054 | Common | \$0.42 | N/A | Erica Wagner | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -9,375 | Common | \$0.42 | N/A | Gina Bochis | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -42,647 | Common | \$0.42 | N/A | Peter Majar | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -45,858 | Common | \$0.42 | N/A | Justin Maury | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -16,332 | Common | \$0.42 | N/A | Jeremy Frommer | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -45,858 | Common | \$0.42 | N/A | Robert Tal | Cancellation of Payable Conversion | N/A | N/A |

| | | | | | | | | | |
|-----------|--------------|---------|-----------|----------|-----|--|--|--------------|-----|
| 9/30/2024 | Cancellation | -42,308 | Common | \$0.42 | N/A | Peter Majar | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -8,588 | Common | \$0.42 | N/A | Aya Abitbul | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -25,642 | Common | \$0.42 | N/A | MACK Financial Solutions; Chelsea Pullano | Cancellation of Payable Conversion | N/A | N/A |
| 9/30/2024 | Cancellation | -32,118 | Common | \$0.42 | N/A | Erica Wagner | Cancellation of Payable Conversion | N/A | N/A |
| 10/1/24 | Cancellation | -23,000 | Common | \$5.00 | N/A | Anson East Master Fund LP; Amin Nathoo | Recission of Preferred Conversion to Common | N/A | N/A |
| 10/1/24 | Cancellation | -92,000 | Common | \$5.00 | N/A | Anson Investments Master Fund LP; Amin Nathoo | Recission of Preferred Conversion to Common | N/A | N/A |
| 10/1/24 | Issuance | 224 | Preferred | \$100.00 | No | Aya Abitbul | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 140 | Preferred | \$100.00 | No | Christopher Riggio | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 331 | Preferred | \$100.00 | No | Erica Wagner | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 642 | Preferred | \$100.00 | No | Jeremy Frommer | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 636 | Preferred | \$100.00 | No | Justin Maury | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 563 | Preferred | \$100.00 | No | MACK Financial Solutions | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 630 | Preferred | \$100.00 | No | Peter Majar | Shares issued for settlement of liabilities | Restricted | N/A |
| 10/1/24 | Issuance | 632 | Preferred | \$100.00 | No | Robert Tal | Shares issued for settlement of liabilities | Restricted | N/A |
| 11/6/24 | Issuance | 150,000 | Common | \$0.36 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Common stock issued upon conversion of notes payable | Unrestricted | S-1 |
| 11/7/24 | Issuance | 107,689 | Common | \$0.72 | No | Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic | Stock based compensation | Restricted | N/A |
| 11/11/24 | Issuance | 333,333 | Common | \$1.00 | No | ThePowerhouse LLC; Samuel Bernstein | Shares issued for acquisition of minority interest | Restricted | N/A |
| 11/12/24 | Issuance | 185,000 | Common | \$0.79 | No | Jessica Skube | Shares issued for settlement of liabilities | Restricted | N/A |

| | | | | | | | | | |
|----------|----------|---------|-----------|----------|-----|--|--|--------------|-----|
| 11/18/24 | Issuance | 13,333 | Common | \$0.90 | No | Richard Molinsky | Cash received for common stock | Restricted | N/A |
| 11/18/24 | Issuance | 13,333 | Common | \$0.90 | No | Leonard Schiller | Cash received for common stock | Restricted | N/A |
| 11/25/24 | Issuance | 48,458 | Common | \$0.83 | No | Brio Financial; David Briones | Shares issued for settlement of liabilities | Restricted | N/A |
| 11/25/24 | Issuance | 108 | Preferred | \$750.00 | No | Brio Financial; David Briones | Shares issued for settlement of liabilities | Restricted | N/A |
| 11/25/24 | Issuance | 388,889 | Common | \$0.83 | No | Lucosky Brookman; Joseph Lucosky & Seth Brookman | Shares issued for settlement of liabilities | Restricted | N/A |
| 11/25/24 | Issuance | 867 | Preferred | \$750.00 | No | Lucosky Brookman; Joseph Lucosky & Seth Brookman | Shares issued for settlement of liabilities | Restricted | N/A |
| 11/26/24 | Issuance | 39,824 | Common | \$0.83 | No | Enzyloitics Inc; Harry Zhabilov | Shares issued for acquisition of marketable securities | Restricted | N/A |
| 12/2/24 | Issuance | 57,635 | Common | \$0.17 | Yes | Coventry Enterprises LLC; Jack Bodenstein | Common stock issued upon conversion of notes payable | Unrestricted | S-1 |
| 12/10/24 | Issuance | 37,500 | Common | \$0.61 | No | FirstFire Global Opportunities Fund LLC; Eli Fireman | Cash received for common stock | Restricted | N/A |
| 12/10/24 | Issuance | 62,500 | Common | \$0.61 | No | Quick Capital LLC; Eilon Natan | Cash received for common stock | Restricted | N/A |
| 12/18/24 | Issuance | 5,198 | Common | \$0.40 | No | Thinkmill Investments Unit Trust; Jed Watson & Boris Bozic | Services | Restricted | N/A |
| 12/23/24 | Issuance | 800 | Common | \$0.40 | No | Lindy Tsang | Shares issued for settlement of liabilities | Restricted | N/A |
| 12/23/24 | Issuance | 12,600 | Common | \$0.40 | No | R&L Life; Rachael Simari | Shares issued for settlement of liabilities | Restricted | N/A |

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

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

B. Promissory and Convertible Notes

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

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

| Date of Note Issuance | Outstanding Balance (\$) | Principal Amount at Issuance (\$) | Interest Accrued (\$) | Maturity Date | Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares) | Name of Noteholder. *** You must disclose the control person(s) for any entities listed. | Reason for Issuance (e.g. Loan, Services, etc.) |
|-----------------------|--------------------------|-----------------------------------|-----------------------|---------------|--|--|---|
| 3/13/24 | \$1,100,000 | \$1,100,000 | \$88,000 | 9/21/2025 | \$8.50 | The Lind Partners; Jeff Easton | Loan |
| 4/2/2024 | \$105,370 | \$55,556 | N/A | 10/2/2024 | \$2.50 | Unterberg Legacy LLC; Andrew Arno & James Satloff | Loan |
| 11/22/2024 | \$30,000 | \$30,000 | \$576.99 | 3/22/25 | \$1.00 | Unterberg Legacy LLC; Andrew Arno & James Satloff | Loan |

***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")

Overview

Creatd, Inc. is focused on identifying and supporting innovative businesses across media, technology, and consumer sectors. The company strategically invests in emerging, pre-profitability ventures, driving growth through operational expertise and creative integration. Creatd's diversified portfolio includes Vocal, a digital publishing platform empowering creators with monetization tools, and OG Collection, an archival library of cultural media and photography assets. With targeted investments and strategic alliances, Creatd is positioned to capitalize on opportunities within dynamic markets, leveraging its extensive experience in public finance, structured products, and consumer technology to enhance shareholder value.

Creator-Centric Strategy

Creatd's creator-first approach is the foundation of our culture and purpose, influencing every decision we make. We leverage first-party data to assist our portfolio companies in enhancing content creation, audience interaction, and brand campaigns, ensuring authentic and impactful engagement. This fosters a dynamic ecosystem where insights and resources from one portfolio company benefit others, creating a positive feedback loop. Our integrated business model combines technology, advertising, media, e-commerce, and data, driving continuous value and innovation. Through strategic acquisitions and partnerships, Creatd seeks to expand its influence within the creator economy, unlocking potential and delivering value for shareholders and the wider creative community. Our visionary leadership and commitment to supporting creators and entrepreneurs are at the forefront of our efforts to transform the digital content landscape, fueling the dreams and ambitions of our community.

Competitive Advantage

Creata's competitive advantage lies in its distinctive combination of operational expertise, creative vision, and strategic capital allocation. By leveraging deep experience in public finance and structured products, Creata efficiently identifies undervalued, innovative companies in media, technology, and consumer sectors. Its proprietary platforms, such as Flyte, Vocal and the OG Collection, provide unique monetization channels, brand differentiation, and cross-platform synergies. Furthermore, Creata's integrated operational model allows it to rapidly scale acquisitions, optimize growth trajectories, and foster collaborations across its portfolio—positioning the company to swiftly capitalize on emerging market opportunities and enhance long-term shareholder value.

Acquisition Strategy

Creata's strategic business line expansion has led to the acquisition of several complementary businesses. These acquisitions have allowed Creata to expand its reach and diversify its revenue streams, enabling the company to leverage its internal resources and expertise to drive continued growth. In addition, the acquisitions have provided opportunities for cost synergies and operational efficiencies, further enhancing the company's profitability and positioning it for long-term success.

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

| Name of combined affiliate | State or other jurisdiction of incorporation or organization | Company Ownership Interest |
|-----------------------------------|---|-----------------------------------|
| Jerrick Ventures LLC | Delaware | 100% |
| Abacus Tech Pty Ltd | Australia | 100% |
| CEOBloc, LLC | Delaware | 100% |
| OG Collection, Inc. | Delaware | 41.5% |
| Vocal, Inc. | Nevada | 41.8% |
| S96 NYC, LLC | New York | 100% |

C. Describe the issuers' principal products or services.

Vocal

Our flagship technology, Vocal, provides the Company with a core platform that is highly scalable on its own but also provides the foundation upon which other revenue sources rely. The first direct core business of Vocal has proven to be a scalable revenue source: Creator Subscriptions. The core will be augmented in the near term with the introduction of the ability for writers and creators to monetize their followings further by directly charging for premium content such as newsletters. Vocal will charge a recurring commission on these new premium content subscriptions. As discussed above, the core Vocal platform underlies numerous derivative revenue sources for the Company.

Since its launch in 2016, Vocal has quickly become the go-to platform for content creators of all kinds, with over 1.5 million registered creators and counting. Whether you're a blogger, social media influencer, podcaster, founder, musician, photographer, or anything in between, Vocal has everything you need to unleash your creativity and monetize your content.

Creators can opt to use Vocal for free, or upgrade to the premium membership tier, Vocal+. Upon joining Vocal, either as a freemium or premium member, creators can immediately begin to utilize Vocal's storytelling tools to create and publish their stories, as well as benefit from Vocal's monetization features.

At Creata, we believe in rewarding creators for their hard work and dedication. That's why we offer a range of monetization features on Vocal, whereby creators earn in numerous ways including i) the number of 'reads' their story receives; ii) via Vocal Challenges, or writing contests with cash prizes; iii) receiving Bonuses; iv) by participating in Vocal for Brands marketing campaigns; v) through 'Subscribe,'

which enables creators to receive payment directly from their audience via monthly subscriptions and one-off microtransactions; vi) via Vocal's Ambassador Program, which enables creators to be compensated for referring new premium members. But what sets Vocal apart from other platforms is our commitment to innovation and scalability. Built on Keystone, the same open-source framework used by industry leaders in the SaaS space, Vocal's technology is designed for speed, sustainability, and scalability. And with our capital-light infrastructure and focus on research and development, we are able to continuously improve and enhance the platform, without incurring the operational costs that have weighed down legacy media platforms.

Creald firmly believes that the future belongs to creators. And with Vocal, we're proud to be leading the charge in providing them with the tools, resources, and opportunities they need to succeed.

Branded Content

In developing our creator ecosystem, we came to understand that like individual creators, all brands have a unique story to tell. That's why we've developed Vocal for Brands, our in-house content studio that specializes in creating best-in-class organic marketing campaigns. Our approach combines the production of branded content influencer and performance marketing initiatives that work together to increase sales, revenue, visibility, and brand affinity for our clients.

We work with leading brands to pair them with our network of creators, tapping into their communities to help share their stories in a way that is engaging, direct-response driven, and non-interruptive. Similarly, through Sponsored Challenges, we prompt the creation of thousands of high-quality stories that are centered around the brand's mission, further disseminated through creators' respective social channels and promotional outlets.

Our campaigns are amplified with the help of Vocal's first-party data insights, allowing us to create highly targeted, segmented audiences for brands with optimal results.

Consumer Products Group

During 2023, our Consumer Products Group was composed of four brands, and grew to become a significant revenue contributor. The Company's Consumer Products portfolio currently included:

Camp, a direct-to-consumer (DTC) food brand which creates healthy upgrades to classic comfort food favorites. Each of Camp's products is created with servings of vegetables and contains Vitamins A, C, D, E, B1, and B6. Since its launch in 2020, Camp continues to add new products to its line of healthy, veggie-based, family-friendly foods, with flavors including Classic Cheddar Mac 'N' Cheese, White Cheddar Mac 'N' Cheese, Vegan Cheezy Mac, and Twist Veggie Pasta.

Dune Glow Remedy ("Dune"), which the Company purchased and brought to market in 2021, is a beverage brand focused on promoting wellness and beauty from within. Each beverage in Dune's product line is meticulously crafted with functional ingredients that nourish skin from the inside out and enhance one's natural glow.

Basis is a hydrating electrolyte drink mix that was acquired in the first quarter of 2022. This brand has a history of strong sales volume both on the brand's website as well as through third-party distribution channels such as Amazon.

Brave is a plant-based food company that provides convenient and healthy breakfast food products. Our Company acquired 100% of the membership interests of Brave Foods, LLC in September 2022. What started as a search for a better morning routine evolved into a business serving thousands of go-getters of every type. We are thrilled to have these amazing brands as part of our portfolio and we are excited to continue expanding our Consumer Products portfolio.

During 2023, the Consumer Products segment was discontinued, with Basis and Brave being acquired by a third party and Camp and Dune ceasing operations (see Note 12 – Discontinued Operations).

IP Development and Production

At Creatd, we're always looking for ways to bring our creators' stories to new audiences across different media. Our IP Development and Production efforts involve partnering with our top creators to develop their content for television, film, podcasts, and print. With our cutting-edge Vocal platform, we have access to a wealth of intellectual property that's constantly being curated by a blend of human moderation and advanced machine learning models. Our Vocal technology allows us to analyze community, creator, and audience insights to surface the best candidates for transmedia adaptations. We're committed to leveraging our vast library of compelling stories to create engaging and impactful content across multiple platforms. As of early 2023, Creatd announced a series of newly released and production projects. They include podcasts, books, and Web 3.0 opportunities.

Revenue Model

Creatd's revenues are primarily generated through:

Platform: Creatd's flagship technology product, Vocal, generates revenues through subscription fees from premium Vocal creators, a membership program known as Vocal+. The Vocal+ subscription offering provides creators with increased monetization and access to premium tools and features. At approximately \$10 per month, Vocal+ offers creators a strong value proposition for freemium users to upgrade, while providing a scalable source of monthly recurring gross revenue for Creatd. Additional platform-based revenues are generated from Tipping and other transactions that occur on the platform. For each such transaction, which are designed to enable Vocal audiences to engage and support their favorite creators, Vocal takes platform processing fees ranging from approximately 3% to 7%.

E-commerce: The majority of the Company's e-commerce revenues came from sales associated with Creatd's portfolio of internally owned and operated e-commerce businesses, Camp, Dune, Basis, and Brave. Additionally, the Company's e-commerce strategy involves revitalizing archival imagery and media content in dormant legacy portfolios. Creatd maintains an exclusive license to leverage the stories housed on Vocal, reimagining them for films, episodic shows, games, graphic novels, collectibles, books, and more. See Note 12 – Discontinued Operations for more information on the impact of the discontinuation of this business segment on the reporting of these revenues.

Agency: The Company derives revenues from marketing partnerships through its internal branded content studio, Vocal for Brands, which specializes in pairing leading brands with select Vocal creators to produce content marketing campaigns, including sponsored Challenges, that leverage the power of Vocal. Branded stories and Challenges are distributed to a targeted audience based on Vocal's first-party data, and are optimized for conversions to maximize revenue growth.

5) Issuer's Facilities

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

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

The Company currently does not own any properties. As of December 31, 2023, our corporate headquarters consisted of a total of approximately 8,000 square feet located at 419 Lafayette Street, 6th Floor New York, NY 10003. Subsequent to December 31, 2023, the Company reached an agreement with

the landlord to terminate this lease agreement and is now a remote-only company with a mailing address of 1111B S Governors Ave, STE 20721, Dover, DE 19904.

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

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

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

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

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

| Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity) | Position/Company Affiliation (ex: CEO, 5% Control person) | City and State (Include Country if outside U.S.) | Number of Shares Owned (List common, preferred, warrants and options separately) | Class of Shares Owned | Percentage of Class of Shares Owned (undiluted) |
|---|--|--|---|-----------------------------|---|
| Jeremy Frommer | CEO | Fort Lee, NJ | 923,306 | Common | 9.09% |
| Jeremy Frommer | CEO | Fort Lee, NJ | 642 | Preferred H | 16.90% |
| Jeremy Frommer | CEO | Fort Lee, NJ | 4,200,454 | Warrants | 16.62% |
| Justin Maury | COO | Fort Lee, NJ | 923,396 | Common | 9.09% |
| Justin Maury | COO | Fort Lee, NJ | 754,981 | Warrants | 2.99% |
| Justin Maury | COO | Fort Lee, NJ | 636 | Preferred H | 16.75% |
| Peter Majar | Independent Director | New York, NY | 923,216 | Common | 9.09% |
| Peter Majar | Independent Director | New York, NY | 743,718 | Warrants | 2.94% |
| Peter Majar | Independent Director | New York, NY | 630 | Preferred H | 16.59% |
| SEG Opportunity Fund, LLC; Joseph Reda & Jonathan Schechter One Wolfs Lane Suite 316 Pelham, NY 10803 | 5% Control Person | Pelham, NY | 2,268 | Preferred G | 17.37% |

| | | | | | |
|--|-------------------|--------------------|-----------|-------------|--------|
| SEG Opportunity Fund, LLC; Joseph Reda & Jonathan Schechter One Wolfs Lane Suite 316 Pelham, NY 10803 | 5% Control Person | Pelham, NY | 1,525,500 | Warrants | 6.73% |
| Gregory Castaldo | 5% Control Person | Pelham, NY | 901 | Preferred G | 6.90% |
| Gregory Castaldo | 5% Control Person | Pelham, NY | 829,369 | Warrants | 3.28% |
| Gregory Castaldo | 5% Control Person | Pelham, NY | 121,000 | Common | 1.19% |
| Joseph Reda | 5% Control Person | Pelham, NY | 898 | Preferred G | 6.88% |
| Joseph Reda | 5% Control Person | Pelham, NY | 870,525 | Warrants | 3.44% |
| Joseph Reda | 5% Control Person | Pelham, NY | 168,200 | Common | 1.66% |
| Lucosky Brookman, LLP; Joseph Lucosky & Seth Brookman 101 S Wood Ave, Iselin, NJ 08830 | 5% Control Person | Iselin, NJ | 867 | Preferred G | 6.64% |
| Lucosky Brookman, LLP; Joseph Lucosky & Seth Brookman 101 S Wood Ave, Iselin, NJ 08830 | 5% Control Person | Iselin, NJ | 388,889 | Common | 3.83% |
| Carmit Cohen | 5% Control Person | West Hempstead, NY | 767 | Preferred G | 5.87% |
| Carmit Cohen | 5% Control Person | West Hempstead, NY | 575,250 | Warrants | 2.28% |
| Iroquois Master Fund; Richard Abbe 2 Overhill Road, Scarsdale, New York 10583 | 5% Control Person | New York, NY | 734 | Preferred G | 5.62% |
| Iroquois Master Fund; Richard Abbe 2 Overhill Road, Scarsdale, New York 10583 | 5% Control Person | New York, NY | 550,500 | Warrants | 2.18% |
| Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646 | 5% Control Person | Dorado Beach, PR | 2,253 | Preferred F | 93.76% |
| Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646 | 5% Control Person | Dorado Beach, PR | 536 | Preferred G | 4.10% |
| Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646 | 5% Control Person | Dorado Beach, PR | 3,407,626 | Warrants | 13.48% |

| | | | | | |
|--|-------------------|---------------------|---------|-------------|--------|
| Dorado Goose, LLC; Tommy Wang 170 Dorado Bch E, Dorado, PR, 00646 | 5% Control Person | Dorado Beach, PR | 13,125 | Common | 0.13% |
| Lind Global Fund II LP; Jeff Easton 444 Madison Avenue, FL 41 New York, NY 10022 | 5% Control Person | New York, NY | 150 | Preferred F | 6.24% |
| Aya Abitbul | Affiliate | New York, NY | 224 | Preferred H | 5.90% |
| Aya Abitbul | Affiliate | New York, NY | 366,227 | Warrants | 1.45% |
| Aya Abitbul | Affiliate | New York, NY | 457,000 | Common | 4.50% |
| Erica Wagner | 5% Control Person | London, ENG | 331 | Preferred H | 8.72% |
| Erica Wagner | 5% Control Person | London, ENG | 511,167 | Warrants | 2.02% |
| Erica Wagner | 5% Control Person | London, ENG | 3,389 | Common | 0.03% |
| MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621 | 5% Control Person | New York NY | 563 | Preferred H | 14.82% |
| MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621 | 5% Control Person | New York NY | 758,949 | Warrants | 3.00% |
| MACK Financial Solutions; Chelsea Pullano 78 Dudley Dr, Bergenfield, NJ 07621 | 5% Control Person | New York NY | 457,000 | Common | 4.50% |
| Robert Tal | Affiliate | Oakhurst, NJ | 632 | Preferred H | 16.64% |
| Robert Tal | Affiliate | Oakhurst, NJ | 862,306 | Warrants | 3.41% |
| Robert Tal | Affiliate | Oakhurst, NJ | 457,105 | Common | 4.50% |

7) Legal/Disciplinary History

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

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

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, financial- or investment-related, insurance 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, 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 to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

Except as set forth below, we are currently not aware of any such legal proceedings or claims that will have, individually or in aggregate, a material adverse effect on our business, financial condition or operating results.

Skube v. WHE Agency Inc., et al

A complaint against WHE, Creatd and Jeremy Frommer filed December 22, 2022, was filed in the Supreme Court of the State of New York, New York County, by Jessica Skube, making certain claims alleging conversion, trespass to chattel, unjust enrichment, breach of contract, fraud in the inducement, seeking damages of \$161,000 and punitive damages of \$500,000. Skube filed an Order to Show Cause, which the Company opposed, which was denied.

On November 12, 2024, the Company and Ms. Skube entered into a Settlement Agreement, whereby the Company issued 150,000 shares of common stock to Ms. Skube, and 35,000 shares of common stock for attorney fees. This matter was resolved and is no longer outstanding.

Lind Global v. Creatd, Inc.

A complaint against Creatd dated September 21, 2022, has been filed in the Supreme Court of the State of New York, New York County, by Lind Global Macro Fund LP and Lind Global Fund II LP (collectively, "Lind"), making certain claims alleging breach of contract related to two Securities Purchase Agreements

executed on May 31, 2022, seeking damages in excess of \$920,000. The Company filed a Motion to Dismiss, which was denied. The Company then submitted an Answer.

On March 13, 2024, the Company reached a settlement agreement and general release regarding Lind Global vs Creatd, Inc. In exchange for a grant of security interest on the outstanding debentures, an increase of principal value and interest rate, a reduction of conversion price, and the exchange of outstanding warrants for 150 shares of the Company's Preferred Series F stock, Lind Global agreed to extend the Maturity Date to 18 months from the date of the agreement and submit a stipulation of discontinuance with the court.

Environmental Health Advocates Inc v. Creatd, et al

On February 22, 2024, a complaint against Creatd, Inc., Amazon.com Inc., and Does 1 through 100 was filed in the Superior Court of the State of California, County of Alameda, by Environmental Health Advocates, Inc., alleging violations of California Proposition 65. The claims center on the alleged failure to provide warnings to California consumers about the potential presence of lead in "Camp Vegan Cheezy Mac," a product belonging to Creatd, Inc.'s former subsidiary, PlantCamp. The plaintiff seeks remedies related to these alleged violations. Creatd has opposed these claims, asserting objections including vagueness, overbreadth, and a lack of relevance, and has highlighted that the production of the product was outsourced, limiting its direct involvement. Given the early stage of this litigation, it is too soon for Creatd to assess potential liability.

8) Third Party Service Providers

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

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

Securities Counsel (must include Counsel preparing Attorney Letters).

| | |
|------------|-----------------------|
| Name: | Joseph Lucosky |
| Firm: | Lucosky Brookman LLP |
| Address 1: | 101 Wood Avenue South |
| Address 2: | Woodbridge, NJ 08830 |
| Phone: | 732-395-4400 |
| Email: | jlucosky@lucbro.com |

Accountant or Auditor

| | |
|------------|---------------------------------|
| Name: | Alison Douglas |
| Firm: | Astra Audit & Advisory LLC |
| Address 1: | 13902 North Dale Mabry Highway, |
| Address 2: | Suite 131, Tampa, FL 33618 |
| Phone: | 813-441-9707 |
| Email: | adouglas@theaerosolution.com |

Investor Relations

N/A

Other Service Providers

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

None other than below

9) Disclosure & Financial Information

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

Name: Chelsea Pullano
Title: Managing Partner of MACK Financial Solutions, LLC
Relationship to Issuer: Finance & Accounting Consultants

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

- ☐ IFRS
☒ U.S. GAAP

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

Name: Chelsea Pullano & Max Avellaneda
Title: Managing Partners of MACK Financial Solutions, LLC
Relationship to Issuer: Finance & Accounting Consultants

Describe the qualifications of the person or persons who prepared the financial statements:²⁵

Max Avellaneda: Senior management and accounting professional with over 15 years of experience in finance, accounting, and business management.

Chelsea Pullano: C-Level leader with extensive expertise in executive-level accounting, financial planning, and investor relations.

Provide the following qualifying financial statements:

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

Financial Statement Requirements:

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

²⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

I, Jeremy Frommer, certify that:

1. I have reviewed this Disclosure Statement for Creatd, 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.

April 4, 2025

/s/ Jeremy Frommer

Principal Financial Officer:

I, Jeremy Frommer, certify that:

1. I have reviewed this Disclosure Statement for Creatd, 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.

April 4, 2025

/s/ Jeremy Frommer

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes appearing elsewhere in this Annual Report. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to those set forth in "Part I - Item 1A. Risk Factors."

These financial statements and other reports filed by Creatd, Inc., formerly Jerick Media Holdings, Inc. (the "Company"), from time to time with the OTC or otherwise provided to current and prospective stakeholders (collectively, the "Filings") contain or may contain forward-looking statements and information that are based upon beliefs of, and information currently available to, the Company's management as well as estimates and assumptions made by Company's management. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. When used in the Filings, the words "anticipate," "believe," "estimate," "expect," "future," "intend," "plan," or the negative of these terms and similar expressions as they relate to the Company or the Company's management identify forward-looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions, and other factors, including the risks relating to the Company's business, industry, and the Company's operations and results of operations. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended, or planned.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Our financial statements would be affected to the extent there are material differences between these estimates and actual results. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and does not require management's judgment in its application. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result. The following discussion should be read in conjunction with our financial statements and notes thereto appearing elsewhere in this report.

We intend for this discussion to provide information that will assist in understanding our financial statements, the changes in certain key items in those financial statements, and the primary factors that accounted for those changes, as well as how certain accounting principles affect our financial statements.

Overview

The creator economy is well-established and thriving, consisting of hundreds of millions of creators and billions of viewers. Creatd plays a crucial role within this ecosystem, with a range of businesses established to help creators realize their potential both creatively and monetarily, partnering with peers in their community and brands when the opportunity arises. At the center of our businesses lies Vocal, our core technology platform that hosts our creator community and generates the first-party data that powers our revenue generation.

Results of Operations

Liquidity and Capital Resources

The following table summarizes total current assets, liabilities and working capital at December 31, 2024 compared to December 31, 2023:

| | December 31, 2024 | December 31, 2023 | Increase / (Decrease) |
|---------------------------|------------------------------|------------------------------|----------------------------------|
| Current Assets | \$ 85,166 | \$ 73,255 | \$ 11,911 |
| Current Liabilities | \$ 10,158,300 | \$ 26,179,577 | \$(16,021,277) |
| Working Capital (Deficit) | \$(10,073,134) | \$(26,106,322) | \$ 16,009,366 |

At December 31, 2024, the Company had a working capital deficit of \$10,073,134 as compared to a working capital deficit of \$26,106,322 at December 31, 2023, an increase in working capital deficit of \$16,033,188. The increase is primarily attributable to a reduction in cash and an increase in accounts payable and accrued liabilities, as well as an increase in derivative liabilities. This was partially offset by a decrease in notes payable.

Net Cash

Net cash used in operating activities for the years ended December 31, 2024, and 2023, was \$237,538 and \$3,248,666, respectively. The net loss for the years ended December 31, 2024, and 2023 was \$4,453,502 and \$38,994,528, respectively. This \$3 million reduction in net cash used in operating activities is primarily attributable to a reduction in research & development, marketing, and compensation expenses.

Net cash used in investing activities for the year ended December 31, 2024, was \$0. Comparatively, net cash used investing activities for the year ended December 31, 2023, was \$231,463. This amount was also primarily attributable to the sale of minority interest in OG Collection, Inc., offset by the sale and purchase of digital assets.

Net cash provided by financing activities for the years ended December 31, 2024, and 2023 was \$303,347 and \$2,418,194, respectively. During the year ended December 31, 2023, the Company's operations were predominantly financed by the proceeds from sale of common and preferred stock and warrants of \$415,582. For the year ended December 31, 2023, the Company's operations were predominantly financed by net proceeds of \$1,047,811 from the exercise of warrants and the proceeds from sale of common stock and warrants of \$1,727,143.

Summary of Statements of Operations for the Years Ended December 31, 2024 and 2023:

| | Year Ended December 31 | |
|---|-----------------------------------|-----------------|
| | 2024 | 2023 |
| Revenue | \$ 1,498,874 | \$ 1,916,453 |
| Cost of revenue | \$ (63,144) | \$ (808,315) |
| Operating expenses | \$ (13,179,728) | \$ (28,343,916) |
| Loss from operations | \$ (11,743,998) | \$ (27,235,778) |
| Other income (expenses) | \$ 7,290,496 | \$ (10,824,204) |
| Net loss | \$ (4,453,502) | \$ (38,994,528) |
| Loss per common share - basic and diluted | \$ (21.38) | \$ (1.66) |

Revenue

Revenue was \$1,498,874 for the year ended December 31, 2024, as compared to \$1,916,453 for the year ended December 31, 2023. The decrease of \$417,579 was primarily attributable to a decrease in Vocal subscription revenue as the company transitioned from a pay-to-play marketing model to an organic growth framework while significantly decreasing marketing spend.

Cost of Revenue

Cost of revenue for the year ended December 31, 2024, was \$63,144 as compared to \$808,315 for the year ended December 31, 2023. The Company saw a decrease in payroll-related cost of revenues due to reduction of salaries and downsizing of staff as the Company implemented austerity measures throughout 2024.

Operating Expenses

Operating expenses for the year ended December 31, 2024, were \$13,179,728 as compared to \$28,343,916 for the year ended December 31, 2023. The decrease of \$15,164,188 is attributable to a decrease in stock-based compensation, research and development, and marketing expenses.

Loss from Operations

Loss from operations for the year ended December 31, 2024, was \$11,743,998 as compared to \$27,235,778 for the year ended December 31, 2023. The decrease in loss from operations was attributable to the decrease in operating expenses cited above which offset a slight decrease in revenue.

Other Income/Expenses

Other income/expenses for the year ended December 31, 2024, were \$7,290,496 as compared to \$(10,824,204) for the year ended December 31, 2023. The increase is attributable to an increase in accretion of debt discount and issuance costs and gain on change in derivative liability.

Net Loss

Net loss attributable to common shareholders for the year ended December 31, 2024, was \$4,453,502, or loss per share of \$21.34, as compared to a net loss attributable to common shareholders of \$71,513,503, or loss per share of \$1.66, for the year ended December 31, 2023. The decrease in net loss is primarily attributable to the decrease in operating expenses and decrease in deemed dividend and other expenses as noted above.

Off-Balance Sheet Arrangements

As of December 31, 2024, we had no off-balance sheet arrangements.

Significant Accounting Policies

We believe that the following accounting policies are the most critical to aid you in fully understanding and evaluating this “Management’s Discussion and Analysis of Financial Condition and Results of Operation.”

Use of Estimates and Critical Accounting Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods.

These significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to these estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the consolidated financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly. The Company uses estimates in accounting for, among other items, revenue recognition, allowance for doubtful accounts, stock-based compensation, income tax provisions, excess and obsolete inventory reserve, and impairment of intellectual property.

Actual results could differ from those estimates.

Fair Value of Financial Instruments

The fair value measurement disclosures are grouped into three levels based on valuation factors:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments and market corroborated inputs)
- Level 3 – significant unobservable inputs (including Company assumptions in determining the fair value of investments)

The Company's Level 1 assets/liabilities include cash, accounts receivable, accounts payable, prepaid and other current assets, line of credit and due to related parties. Management believes the estimated fair value of these accounts at December 31, 2024 and 2023 approximate their carrying value as reflected in the consolidated balance sheets due to the short-term nature of these instruments or the use of market interest rates for debt instruments.

The Company's Level 3 assets/liabilities include goodwill, intangible assets, and derivative liabilities. Inputs to determine fair value are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques, including option pricing models and discounted cash flow models. Unobservable inputs used in the models are significant to the fair values of the assets and liabilities.

Long-lived Assets Including Acquired Intangible Assets

The Company evaluates the recoverability of property and equipment, acquired finite-lived intangible assets and, purchased infinite life digital assets for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. The evaluation is performed at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate from the use and eventual disposition. Digital assets accounted for as intangible assets are subject to impairment losses if the fair value of digital assets decreases other than temporarily below the carrying value. The fair value is measured using the quoted price of the crypto asset at the time its fair value is being measured. If such review indicates that the carrying amount of property and equipment and intangible assets is not recoverable, the carrying amount of such assets is reduced to fair value. During the years ended December 31, 2024 and 2023, the Company recorded an impairment charge of \$0 and \$13,334, respectively for intangible assets.

Acquired finite-lived intangible assets are amortized on a straight-line basis over the estimated useful lives of the assets. The Company routinely reviews the remaining estimated useful lives of property and equipment and finite-lived intangible assets. If the Company changes the estimated useful life assumption for any asset, the remaining unamortized balance is amortized or depreciated over the revised estimated useful life. As of December 31, 2024 and 2023, the Company has \$0 and \$0, respectively, intangible assets on its consolidated balance sheets. Amortization expense was \$0 and \$0 for the years ended December 31, 2024 and 2023, respectively.

Goodwill

Goodwill is not amortized but is subject to periodic testing for impairment in accordance with ASC Topic 350 "Intangibles – Goodwill and Other – Testing Indefinite-Lived Intangible Assets for Impairment" ("ASC Topic 350"). The Company tests goodwill for impairment on an annual basis as of the last day of the Company's fiscal December each year or more frequently if events occur or circumstances change indicating that the fair value of the

goodwill may be below its carrying amount. The Company uses an income-based approach to determine the fair value of the reporting units. This approach uses a discounted cash flow methodology and the ability of our reporting units to generate cash flows as measures of fair value of our reporting units.

During the year ended December 31, 2023, the reporting unit that still carried goodwill on its balance sheet was acquired. As of December 31, 2024, the Company has an asset of \$371,448 of goodwill on its balance sheet. During the years ended December 31, 2024 and December 31, 2023, the Company recorded an impairment charge of \$0 and \$0 respectively.

Derivative Liability

The Company evaluates its debt and equity issuances to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for in accordance with paragraph 815-10-05-4 and Section 815-40-25 of the FASB Accounting Standards Codification. The result of this accounting treatment is that the fair value of the embedded derivative is marked-to-market each balance sheet date and recorded as either an asset or a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the consolidated statement of operations as other income or expense. Upon conversion, exercise or cancellation of a derivative instrument, the instrument is marked to fair value at the date of conversion, exercise or cancellation and then the related fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the balance sheet date.

The Company adopted Section 815-40-15 of the FASB Accounting Standards Codification (“Section 815-40-15”) to determine whether an instrument (or an embedded feature) is indexed to the Company’s own stock. Section 815-40-15 provides that an entity should use a two-step approach to evaluate whether an equity-linked financial instrument (or embedded feature) is indexed to its own stock, including evaluating the instrument’s contingent exercise and settlement provisions.

The Company utilizes a Monte Carlo simulation model for the make whole feature in the Company’s outstanding Equity Line of Credit and for convertible notes that have an option to convert at a variable number of shares to compute the fair value of the derivative and to mark to market the fair value of the derivative at each balance sheet date. The inputs utilized in the application of the Monte Carlo model included a starting stock price, an expected term of each debenture remaining from the valuation date to maturity, an estimated volatility, drift, and a risk-free rate. The Company records the change in the fair value of the derivative as other income or expense in the consolidated statements of operations.

Revenue Recognition

Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

We determine revenue recognition through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;

- determination of the transaction price. The transaction price for any given subscriber could decrease based on any payments made to that subscriber. A subscriber may be eligible for payment through one or more of the monetization features offered to Vocal creators, including earnings through reads (on a cost per mille basis) and cash prizes offered to Challenge winners;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

Deferred Revenue

Deferred revenue consists of billings and payments from clients in advance of revenue recognition. The Company has two types of deferred revenue, subscription revenue whereas the revenue is recognized over the subscription period and contract liabilities where the performance obligation was not satisfied. The Company will recognize the deferred revenue within the next twelve months. As of December 31, 2024 and 2023, the Company had deferred revenue of \$146,951 and \$266,037 respectively.

Stock-Based Compensation

The Company recognizes a compensation expense for all equity-based payments granted in accordance with Accounting Standards Codification 718 "*Compensation - Stock Compensation*". Under fair value recognition provisions, the Company recognizes equity-based compensation over the requisite service period of the award. The company has a relatively low forfeiture rate of stock-based compensation and forfeitures are recognized as they occur.

Restricted stock awards are granted at the discretion of the Company. These awards are restricted as to the transfer of ownership and generally vest over the requisite service periods.

The fair value of an option award is estimated on the date of grant using the Black-Scholes option valuation model. The Black-Scholes option valuation model requires the development of assumptions that are inputs into the model. These assumptions are the value of the underlying share, the expected stock volatility, the risk-free interest rate, the expected life of the option, the dividend yield on the underlying stock and forfeitures are recognized as they occur. Expected volatility is derived from the Company's historical data over the expected option life and other appropriate factors. Risk-free interest rates are calculated based on continuously compounded risk-free rates for the appropriate term. The dividend yield is assumed to be zero as the Company has never paid or declared any cash dividends on its Common stock and does not intend to pay dividends on its Common stock in the foreseeable future. Forfeitures are recognized as they occur.

Determining the appropriate fair value model and calculating the fair value of equity-based payment awards requires the input of the subjective assumptions described above. The assumptions used in calculating the fair value of equity-based payment awards represent management's best estimates, which involve inherent uncertainties and the application of management's judgment. As a result, if factors change and the Company uses different assumptions, our equity-based compensation could be materially different in the future. The Company issues awards of equity instruments, such as stock options and restricted stock units, to employees and certain non-employee directors. Compensation expense related to these awards is based on the fair value of the underlying stock on the award date and is amortized over the service period, defined as the vesting period. The vesting period is generally one to three years. A Black-Scholes model is utilized to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used for restricted stock units. Compensation expense is reduced for actual forfeitures as they occur.

Recently Adopted Accounting Guidance

In May 2021, the FASB issued authoritative guidance intended to clarify and reduce diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options that remain equity classified after modification or exchange. (ASU 2021-04), *Derivatives and Hedging Contracts in Entity's Own*

Equity (Topic 815). This guidance's amendments provide measurement, recognition, and disclosure guidance for an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options that remain equity classified after modification or exchange. The updated guidance became effective for fiscal years beginning after December 15, 2021. During the years ended December 31, 2024 and 2023, the Company recognized a deemed dividend of \$41,598,249 and \$32,554,410 from the modification of warrants, respectively.

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326), *Measurement of Credit Losses on Financial Instruments* ("ASU-2016-13"). ASU 2016-13 affects loans, debt securities, trade receivables, and any other financial assets that have the contractual right to receive cash. The ASU requires an entity to recognize expected credit losses rather than incurred losses for financial assets. On October 16, 2019, FASB approved a final ASU delaying the effective date of ASU 2016-13 for small reporting companies to interim and annual periods beginning after December 15, 2022. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements.

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. This ASU amends the guidance on convertible instruments and the derivatives scope exception for contracts in an entity's own equity, and also improves and amends the related EPS guidance for both Subtopics. ASU 2020-06 is effective for the fiscal year beginning after December 15, 2022, including interim periods within that fiscal year. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements.

In October 2021, the FASB issued ASU No. 2021-08, *Business Combinations Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (Topic 805)*, which aims to improve the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in recognition and payment terms that affect subsequent revenue recognition. ASU 2021-08 is effective for the fiscal year beginning after December 15, 2022, including interim periods within that fiscal year. There was no material impact on the Company's consolidated financial statements upon the adoption of this ASU.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Creatd, Inc.
Consolidated Balance Sheets

| | For the Year Ended December 31, 2024 | For the Year Ended December 31, 2023 |
|--|---|---|
| Assets | | |
| Current Assets | | |
| Cash | \$ 15,490 | \$ 71,105 |
| Accounts receivable, Net | 2,000 | - |
| Marketable securities | 67,676 | - |
| Discontinued Operation net Current Assets | - | 2,150 |
| Total Current Assets | \$ 85,166 | \$ 73,255 |
| Property and equipment, net | 18,062 | 84,143 |
| Goodwill | 371,448 | - |
| Deposits and other assets | 83,617 | 83,616 |
| Operating lease right of use asset | 1,633,207 | 1,923,112 |
| Total Assets | \$ 2,191,500 | \$ 2,164,126 |
| Liabilities and Stockholders' Deficit | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 7,948,277 | 10,366,934 |
| Convertible Notes, net of debt discount and issuance costs | 1,216,158 | 5,535,111 |
| Current portion of operating lease payable | - | 532,689 |
| Note payable, net of debt discount and issuance costs | 930,122 | 1,127,101 |
| Deferred revenue | 146,951 | 266,037 |
| Derivative Liability | - | 7,836,521 |
| Stock Compensation Liability | - | 449,376 |
| Deferred offering proceeds | - | 65,808 |
| Total Current Liabilities | \$ 10,241,508 | \$ 26,179,577 |
| Non-current Liabilities: | | |
| Note payable | - | \$ 30,026 |
| Operating lease payable | 1,798,758 | \$ 1,554,734 |
| Total Non-current Liabilities | \$ 1,798,758 | \$ 1,584,760 |
| Total Liabilities | \$ 12,040,266 | \$ 27,764,337 |
| Mezzanine Equity | | |
| Redeemable Preferred Stock in Vocal, Inc. | 84,790 | - |
| Stockholders' Equity (Deficit) | | |
| Series F Preferred stock, \$0.001 par value, 5,500,000 shares authorized | 3 | - |
| Common stock par value \$0.001: 1,500,000,000 shares authorized | 4,662 | 508 |
| Series G Preferred stock, \$0.001 par value, 500,000 shares authorized | 2 | - |
| Series H Preferred stock, \$0.001 par value, 50,000 shares authorized | 4 | - |
| Vocal, Inc. Preferred stock, \$0.001 par value | 32 | - |
| OG Collection, Inc. Preferred stock, \$0.001 par value | 75 | - |
| Additional paid in capital | 256,495,773 | 191,455,928 |
| Less: Treasury stock, 186 and 186 shares as of March 31, 2024, and December 31, 2023, respectively | (78,456) | (78,456) |
| Accumulated deficit | (269,793,147) | (217,655,876) |
| Accumulated other comprehensive income | (297,717) | (174,143) |
| Total Creatd, Inc. Stockholders' Equity | \$ (13,668,769) | \$ (26,452,039) |
| Non-controlling interest in consolidated subsidiaries | 3,735,213 | 851,828 |
| | \$ (9,933,556) | \$ (25,600,211) |
| Total Liabilities and Stockholders' Equity (Deficit) | \$ 2,191,500 | \$ 2,164,126 |

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

Creatd, Inc.
Consolidated Statements of Operations and Comprehensive Loss

| | For the Year Ended December 31, 2024 | For the Year Ended December 31, 2023 |
|---|---|---|
| Net revenue | \$ 1,498,874 | \$ 1,916,453 |
| Cost of revenue | 63,144 | 808,315 |
| Gross margin (loss) | 1,435,730 | 1,108,138 |
| Operating expenses | | |
| Compensation | 1,666,096 | 3,099,285 |
| Research and development | 48,696 | 362,013 |
| Marketing | 269,639 | 838,603 |
| Stock based compensation | 9,569,072 | 20,165,067 |
| General and administrative | 1,626,225 | 3,865,614 |
| Total operating expenses | 13,179,728 | 28,343,916 |
| Loss from operations | (11,743,998) | (27,235,778) |
| Other income (expenses) | | |
| Other income | 9,473 | 109,931 |
| Interest expense | (420,961) | (884,692) |
| Accretion of debt discount and issuance cost | (1,124,913) | (5,671,843) |
| Change in derivative liability | 7,836,522 | (4,744,187) |
| Settlement of vendor liabilities | 907,167 | 366,587 |
| Other income (expenses), net | 7,207,288 | (10,824,204) |
| Loss from Continuing Operations | 7,207,288 | (10,824,204) |
| Loss from Discontinued Operations | - | (934,546) |
| Loss before income tax provision | (4,536,710) | (38,994,528) |
| Net loss | (4,536,710) | (38,994,528) |
| Net loss Attributable to noncontrolling interest arising from: | | |
| Continuing Operations | \$ (2,754,608) | (35,435) |
| Net loss attributable to noncontrolling interest | \$ (2,754,608) | (35,435) |
| Net Loss attributable to Creatd, Inc. arising from: | | |
| Continuing Operations | (4,536,710) | (39,029,963) |
| Net loss attributable to Creatd, Inc. | (4,536,710) | (39,029,963) |
| Deemed dividend | (46,483,174) | (32,554,410) |
| Inducement expense | (3,810,000) | - |
| Net loss attributable to common shareholders | \$ (54,829,884) | \$ (71,584,373) |
| Net loss | (4,536,710) | (38,994,528) |
| Currency translation gain (loss) | \$ (123,574) | (33,960) |
| Comprehensive loss | \$ (4,660,284) | \$ (39,028,488) |
| Per-share data | | |
| Basic and diluted loss per share from continuing operations | \$ (21.37) | \$ (1.40) |
| Basic and diluted loss per share from discontinued operations | \$ - | \$ (0.26) |
| Basic and diluted loss per share | \$ (21.37) | \$ (1.66) |
| Weighted average number of common shares outstanding | 2,566,027 | 22,035,260 |

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

Creatd, Inc.
Consolidated Statement of Changes in Stockholders' Equity (Deficit)

(Unaudited)

| | Series E Preferred Stock | | Series F Preferred Stock | | Series G Preferred Stock | | Series H Preferred Stock | | Stock in Subsidiaries | | Common Stock | | Treasury stock | | Additional Paid In Capital | Accumulated Deficit | Non-Controlling Interest | Other Comprehensive Income | Stockholders' Equity (Deficit) |
|--|--------------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|--------|-----------------------|--------|--------------|--------|----------------|-------------|-------------------------------|------------------------|-----------------------------|----------------------------------|-----------------------------------|
| | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | | | | | |
| Balance, December 31 2022 | 450 | \$ - | - | \$ - | - | \$ - | - | \$ - | - | \$ - | 78,125 | \$ 78 | (187) | \$ (78,456) | \$ 134,609,584 | \$ (146,142,373) | \$ (751,849) | \$ (140,183) | \$ (12,503,199) |
| Stock based compensation | - | - | - | - | - | - | - | - | - | - | 117,011 | 117 | - | - | \$ 20,164,950 | - | - | - | 20,165,067 |
| Shares issued for acquisition of non-controlling interest in consolidated subsidiaries | - | - | - | - | - | - | - | - | - | - | 6,223 | 6 | - | - | (1,389,118) | - | 1,389,112 | - | - |
| Exercise of warrants to stock | - | - | - | - | - | - | - | - | - | - | 42,016 | 42 | - | - | 1,047,769 | - | - | - | 1,047,811 |
| Shares issued with notes payable | - | - | - | - | - | - | - | - | - | - | 19,250 | - | - | - | 191,787 | - | - | - | 191,806 |
| Cash received for common stock | - | - | - | - | - | - | - | - | - | - | 85,093 | 85 | - | - | 1,741,699 | - | - | - | 1,741,784 |
| Common stock issued upon conversion of notes payable | - | - | - | - | - | - | - | - | - | - | 79,804 | 80 | - | - | 1,989,783 | - | - | - | 1,989,863 |
| Common stock issued for settlement of accounts payable | - | - | - | - | - | - | - | - | - | - | 13,757 | 14 | - | - | 231,989 | - | - | - | 232,003 |
| Shares issued as consideration for note extension | - | - | - | - | - | - | - | - | - | - | 60,659 | - | - | - | 497,189 | - | - | - | 497,250 |
| Foreign currency translation adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (33,960) | (33,960) |
| Sale of minority interest in OG Collection Inc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 250,000 | - | 250,000 |
| Warrants issued with debt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 265,268 | - | - | - | 265,268 |
| Deemed Dividend | - | - | - | - | - | - | - | - | - | - | 5,459 | - | - | - | \$ 32,554,404 | \$ (32,554,410) | - | - | - |
| Stock Compensation Liability | - | - | - | - | - | - | - | - | - | - | - | - | - | - | \$ (449,376) | - | - | - | \$ (449,376) |
| Net loss | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (38,956,760) | (35,435) | - | (38,992,195) |
| Balance, December 31, 2023 | 450 | - | - | - | - | - | - | - | - | - | 507,397 | 507 | - | - | 191,455,928 | (217,653,543) | 851,828 | (174,143) | (25,597,878) |

| | Series E Preferred Stock | | Series F Preferred Stock | | Series G Preferred Stock | | Series H Preferred Stock | | Stock in Subsidiaries | | Common Stock | | Treasury stock | | Additional Paid In Capital | Accumulated Deficit | Non-Controlling Interest | Other Comprehensive Income | Stockholders' Equity (Deficit) |
|--|--------------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|--------|-----------------------|--------|--------------|--------|----------------|-------------|-------------------------------|------------------------|-----------------------------|----------------------------------|-----------------------------------|
| | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | Shares | Amount | | | | | |
| Balance, January 1, 2024 | 450 | \$ - | - | \$ - | - | \$ - | - | \$ - | - | \$ - | 507,397 | \$ 508 | (187) | \$ (78,456) | \$ 191,455,928 | \$ (217,653,543) | \$ 851,828 | \$ (174,143) | \$ (25,597,878) |
| Cash received for common stock | - | - | - | - | - | - | - | - | - | - | 182,361 | 182 | - | - | 221,417 | - | - | - | 221,599 |
| Cash received for preferred stock | - | - | - | - | 236 | - | - | - | - | - | - | - | - | - | 177,000 | - | - | - | 177,000 |
| Common stock issued for financing fees | - | - | - | - | - | - | - | - | - | - | 33,021 | 33 | - | - | 77,908 | - | - | - | 77,941 |
| Common stock issued upon conversion of notes payable | - | - | - | - | - | - | - | - | - | - | 1,299,332 | 1,299 | - | - | 1,202,538 | - | - | - | 1,203,837 |
| Deemed Dividend | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46,483,174 | (46,483,174) | - | - | - |
| Foreign currency translation adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (123,574) | (123,574) |
| Inducement Expense | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (3,810,000) | - | - | (3,810,000) |
| Preferred stock issued upon conversion of notes payable | - | - | 7,713 | 8 | 559 | 1 | - | - | - | - | - | - | - | - | 8,132,242 | - | - | - | 8,132,251 |
| Shares issued for acquisition of consolidated subsidiary | - | - | - | - | - | - | - | - | - | - | 35,000 | 35 | - | - | 38,115 | - | - | - | 38,150 |
| Shares issued for acquisition of marketable securities | - | - | - | - | - | - | - | - | - | - | 78,078 | 78 | - | - | 67,563 | - | - | - | 67,641 |
| Shares issued for acquisition of minority interest | - | - | - | - | - | - | - | - | - | - | 333,333 | 333 | - | - | 333,000 | - | - | - | 333,333 |
| Shares issued for conversion of preferred to common | - | - | (4,625) | (5) | - | - | - | - | - | - | 925,000 | 925 | - | - | (920) | - | - | - | - |
| Shares issued for rounding in reverse stock split | - | - | - | - | - | - | - | - | - | - | 18,920 | 19 | - | - | 68,931 | (64,328) | - | - | 4,622 |
| Shares issued for settlement of accounts payable | - | - | - | - | 975 | 1 | 3,798 | 4 | - | - | 1,080,487 | 1,081 | - | - | 3,937,042 | - | - | - | 3,938,124 |
| Stock based compensation in consolidated subsidiaries | - | - | - | - | - | - | - | - | 1,027,937 | 107 | - | - | - | - | - | - | 5,637,993 | - | 5,638,100 |
| Stock based compensation in Creatd, Inc. | - | - | - | - | 134 | - | - | - | - | - | 169,510 | 170 | - | - | 3,930,802 | - | - | - | 3,930,972 |
| Warrants issued with debt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 371,033 | - | - | - | 371,033 |
| Net loss for the year ended December 31, 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (1,782,102) | (2,754,608) | - | (4,536,710) |
| Balance, December 31, 2024 | 450 | - | 3,088 | 3 | 1,904 | 2 | 3,798 | 4 | 1,027,937 | 107 | 4,662,439 | 4,663 | (187) | (78,456) | 256,495,773 | (269,793,147) | 3,735,213 | (297,717) | (9,933,559) |

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

Creatd, Inc.
Consolidated Statements of Cash Flows

| | For the Year Ended December 31, 2024 | For the Year Ended December 31, 2023 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | (4,536,710) | (38,994,528) |
| Depreciation and amortization | 66,081 | 146,938 |
| Impairment of intangible assets | - | 13,334 |
| Accretion of debt discount and issuance cost | 1,124,913 | 5,671,843 |
| Stock-based compensation | 9,569,072 | 20,165,067 |
| Amortization of right of use asset | 259,528 | 131,153 |
| Settlement of vendor liabilities | 907,167 | 366,587 |
| Change in fair value of derivative liability | (7,836,522) | 4,744,187 |
| Credit losses | - | 22,540 |
| Non-controlling interest in consolidated subsidiary | 2,754,608 | (35,435) |
| Net cash used in Discontinued Operations | - | (1,069,380) |
| Changes in operating assets and liabilities: | | |
| Prepaid expenses | - | 87,866 |
| Inventory | - | 30,125 |
| Accounts receivable | 2,000 | 152,571 |
| Deposits and other assets | - | 711,014 |
| Deferred revenue | (119,086) | (8,980) |
| Accounts payable and accrued expenses | (2,418,657) | 4,933,535 |
| Marketable securities | 67,676 | - |
| Operating lease liability | (244,024) | (317,103) |
| Net Cash Used In Operating Activities | <u>(403,954)</u> | <u>(3,248,667)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Cash paid for property and equipment | - | (18,537) |
| Cash received from sale of interest in OGC | - | 250,000 |
| Net Cash Used In Investing Activities | <u>-</u> | <u>231,463</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from the exercise of warrant | - | 1,047,811 |
| Net proceeds from issuance of notes | 327,660 | 1,352,447 |
| Repayment of notes | (372,336) | (2,129,524) |
| Proceeds from issuance of convertible note | 300,000 | 2,752,100 |
| Repayment of convertible notes | (192,513) | (2,185,226) |
| Proceeds from issuance of note payable - related party | 159,700 | - |
| Repayment of note payable - related party | (168,330) | - |
| Proceeds from issuance of common stock and warrants | 221,600 | 1,727,143 |
| Proceeds from issuance of preferred stock (Creatd) | 175,000 | - |
| Proceeds from issuance of preferred stock (Vocal) | 18,982 | 65,804 |
| Net financing cash flows from discontinued operations | - | (212,361) |
| Net Cash Provided By Financing Activities | <u>469,763</u> | <u>2,418,194</u> |
| Effect of exchange rate changes on cash | <u>(123,574)</u> | <u>(33,960)</u> |
| Net Change in Cash | <u>(57,765)</u> | <u>(632,970)</u> |
| Cash - Beginning of period | <u>73,255</u> | <u>706,224</u> |
| Cash - End of period | <u>\$ 15,490</u> | <u>\$ 73,254</u> |

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

Creatd, Inc.

December 31, 2024 and 2023

Notes to the Consolidated Financial Statements

Note 1 – Organization and Operations

Creatd, Inc., formerly Jerrick Media Holdings, Inc. (the “Company,” or “Creatd”), is a technology company focused on providing economic opportunities for creators, which it accomplishes through its four main business pillars: Creatd Labs, Creatd Partners, Creatd Ventures, and Creatd Studios. Creatd’s flagship product, Vocal, delivers a robust long-form, digital publishing platform organized into highly engaged niche-communities capable of hosting all forms of rich media content. Through Creatd’s proprietary algorithm dynamics, Vocal enhances the visibility of content and maximizes viewership, providing advertisers access to target markets that most closely match their interests.

The Company was originally incorporated under the laws of the State of Nevada on December 30, 1999, under the name LILM, Inc. The Company changed its name on December 3, 2013, to Great Plains Holdings, Inc. as part of its plan to diversify its business.

On February 5, 2016 (the “Closing Date”), GTPH, GPH Merger Sub, Inc., a Nevada corporation and wholly-owned subsidiary of GTPH (“Merger Sub”), and Jerrick Ventures, Inc., a privately-held Nevada corporation headquartered in New Jersey (“Jerrick”), entered into an Agreement and Plan of Merger (the “Merger”) pursuant to which the Merger Sub was merged with and into Jerrick, with Jerrick surviving as a wholly-owned subsidiary of GTPH (the “Merger”). GTPH acquired, pursuant to the Merger, all of the outstanding capital stock of Jerrick in exchange for issuing Jerrick’s shareholders (the “Jerrick Shareholders”), pro-rata, a total of 950 shares of GTPH’s common stock. In connection therewith, GTPH acquired 33,415 shares of Jerrick’s Series A Convertible Preferred Stock (the “Jerrick Series A Preferred”) and 8,064 shares of Series B Convertible Preferred Stock (the “Jerrick Series B Preferred”).

In connection with the Merger, on the Closing Date, GTPH and Kent Campbell entered into a Spin-Off Agreement (the “Spin-Off Agreement”), pursuant to which Mr. Campbell purchased from GTPH (i) all of GTPH’s interest in Ashland Holdings, LLC, a Florida limited liability company, and (ii) all of GTPH’s interest in Lil Marc, Inc., a Utah corporation, in exchange for the cancellation of 79 shares of GTPH’s Common Stock held by Mr. Campbell. In addition, Mr. Campbell assumed all debts, obligations and liabilities of GTPH, including any existing prior to the Merger, pursuant to the terms and conditions of the Spin-Off Agreement.

Upon closing of the Merger on February 5, 2016, the Company changed its business plan to that of Jerrick.

Effective February 28, 2016, GTPH entered into an Agreement and Plan of Merger (the “Statutory Merger Agreement”) with Jerrick, pursuant to which GTPH became the parent company of Jerrick Ventures, LLC, a wholly-owned operating subsidiary of Jerrick (the “Statutory Merger”) and GTPH changed its name to Jerrick Media Holdings, Inc. to better reflect its new business strategy.

On June 26, 2017, the Company filed to form Abacus Pty Ltd, an Australian-based entity, as a wholly-owned subsidiary of the Company.

On September 11, 2019, the Company acquired 100% of the membership interests of Seller’s Choice, LLC, a New Jersey limited liability company (“Seller’s Choice”), a digital e-commerce agency.

On September 9, 2020, the Company filed a certificate of amendment with the Secretary of State of the State of Nevada to change its name to “Creatd, Inc.”, which became effective on September 10, 2020.

On June 4, 2021, the Company acquired 89% of the membership interests of Plant Camp, LLC, a Delaware limited liability company (“Plant Camp”), which the Company subsequently rebranded as Camp. Camp is a direct-to-consumer (DTC) food brand which creates healthy upgrades to classic comfort food favorites.

On July 20, 2021, the Company acquired 44% of the membership interests of WHE Agency, Inc. WHE Agency, Inc. is a talent management and public relations agency based in New York (“WHE”). WHE has been consolidated due to the Company’s ownership of 55% voting control.

On September 16, 2021, the Company filed a Certificate of Incorporation with the State of Delaware to form OG Gallery, Inc, a wholly owned subsidiary of the Company.

Between October 21, 2020, and August 16, 2021, the Company acquired 21% of the membership interests of Dune, Inc. Dune, Inc. is a direct-to-consumer brand focused on promoting wellness through its range of health-oriented beverages.

On October 3, 2021, the Company acquired an additional 29% of the membership interests of Dune, Inc., bringing its total membership interests to 50%. Dune, Inc., has been consolidated due to the Company’s ownership of 50% voting control.

On March 7, 2022, the Company acquired 100% of the membership interests of Denver Bodega, LLC, d/b/a Basis, a Colorado limited liability company (“Basis”). Basis is a direct-to-consumer functional beverage brand that makes high-electrolyte mixes meant to aid hydration. Denver Bodega, LLC has been consolidated due to the Company’s ownership of 100% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On April 24, 2022, the Company filed a certificate of amendment with the Secretary of State of the State of Delaware to change the name of OG Gallery, Inc. to “OG Collection, Inc.”

On August 1, 2022, the Company acquired 51% of the membership interests of Orbit Media LLC (“Orbit”), a New York limited liability company. Orbit is an app-based stock trading platform designed to empower a new generation of investors. Orbit has been consolidated due to the Company’s ownership of 51% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On September 13, 2022, the Company acquired 100% of the membership interests of Brave Foods, LLC (“Brave”), a Maine limited liability company. Brave is a plant-based food company that provides convenient and healthy breakfast food products. Brave Foods, LLC has been consolidated due to the Company’s ownership of 100% voting control, and the results of operations have been included since the date of acquisition in the consolidated statements of operations and comprehensive loss.

On December 13, 2022, an investor entered into a Subscription Agreement whereby it purchased from OG Collection, Inc., a subsidiary of the Company (“OG”), 150,000 shares of common stock of OG for a purchase price of \$750,000, and, in connection therewith OG, the Company, and the Investor entered into a Shareholder Agreement.

On January 9, 2023, the Company acquired an additional 51% of the equity interest in WHE Agency, Inc. bringing its total ownership to 95%.

On January 11, 2023, the Company filed a membership agreement to form CEOBLOC, LLC a wholly owned subsidiary of the Company.

On January 25, 2023, the Company acquired an additional 24.3% equity interest in Dune, Inc. bringing its total ownership to 75%.

On February 1, 2023, an investor entered into a Subscription Agreement whereby it purchased from OG Collection, Inc., a subsidiary of the Company (“OG”), 50,000 shares of common stock of OG for a purchase price of \$250,000, and, in connection therewith OG, the Company, and the Investor entered into a Shareholder Agreement.

On February 3, 2023, the Company acquired an additional 5% of the membership interests of Orbit Media, LLC., bringing its total membership interests to 56%.

On February 7, 2023, the Company acquired an additional 11% equity interest in Dune, Inc. bringing its total ownership to 85%.

On May 30, 2023, the Company acquired an additional 11% equity interest in Dune, Inc. bringing its total ownership to 96%.

On June 30, 2023, the Company acquired an additional 10% of the membership interests of Plant Camp, LLC, bringing its total ownership to 100%.

On July 28, 2023, the Company acquired an additional 17.5% of the membership interests of Orbit Media, LLC, bringing its total membership interests to 74%.

On July 31, 2023, the Company filed a Certificate of Incorporation with the state of Nevada to form Vocal, Inc., a wholly owned subsidiary. Vocal’s assets, which had been developed directly under the Company since 2016, were reorganized into this new entity. This restructuring marked a significant step in the growth and evolution of Vocal, which began as part of the Company’s business strategy to create a digital publishing platform supporting creators

On October 8, 2023, the Company entered into an Assignment and Assumption Agreement whereby Omega Eats, LLC was assigned 92.5% of the assets owned by Creatd Ventures, LLC pertaining to the operations of Brave and Denver Bodega DBA basis in exchange for \$1 in cash consideration at closing and the assumption of \$214,295 in liabilities related to the operations of these products.

On December 6, 2023, the Company spun-out Orbit Media, LLC, retaining an 17.5% membership interest and returning the remaining membership interest to the founders. As of December 6, 2023, Orbit is no longer consolidated due to the Company’s ownership of less than 50% voting control and membership interests.

On July 17, 2024, Creatd entered into a strategic securities swap agreement with Hollywall Entertainment, Inc. Under this agreement, Creatd issued 16,578 shares of its common stock (CRTD) to Hollywall, while Hollywall issued 726,769 shares of its common stock (HWAL) to Creatd. This swap represents a minimum of 0.5% equity in each company, with the agreement forming part of a broader commitment towards potential expanded collaboration, subject to further due diligence.

On July 26, 2024, Creatd acquired 100% of the membership interests in S96 NYC, LLC (Studio 96 Publishing) from Ayelet Abitbul. The terms of the acquisition involved Creatd issuing 35,000 shares of common stock at a cost basis of \$1.20 per share and 65,000 warrants with an exercise price of \$1.20.

On August 1, 2024, Vocal, Inc. granted 48.61% of its membership interests, in the form of shares of Preferred Stock to officers, board members, employees, and consultants (“Key Drivers”) involved with operations of Vocal.

On August 1, 2024, OG Collection, Inc. granted 46% of its membership interests, in the form of shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On August 9, 2024, Vocal, Inc. granted an additional 3.01% of its membership interests, in the form of shares of Preferred Stock, to Key Drivers involved with operations of Vocal.

On August 12, 2024, OG Collection, Inc. granted an additional 1.5% of its membership interests, in the form of shares of Preferred Stock to Key Drivers involved with operations of OG Collection.

On August 20, 2024, the Company acquired 0.5% of equity in Geopulse Explorations, Inc. a holding company focused on owning and developing technologies in the cannabis industry. As consideration for this acquisition, Geopulse Explorations received 21,675 shares of the Company's common stock.

On October 21, 2024, Vocal, Inc. granted an additional 6.56% of its membership interests, in the form of shares of Preferred Stock, to Key Drivers involved with operations of Vocal.

On November 11, 2024, the Company acquired 5% of equity in THEPOWERHOUSE, LLC, the parent company of thehouseofarts.com and several influential ventures spanning art, fashion, and design. As consideration for this acquisition, The Powerhouse LLC received 333,333 shares of the Company's common stock.

On November 26, 2024, the Company acquired 1% of equity in Enzylotics, Inc. a biotechnology company focused on developing in the pharmaceutical industry. As consideration for this acquisition, Enzylotics received 39,824 shares of the Company's common stock.

Note 2 – Significant Accounting Policies and Practices

Management of the Company is responsible for the selection and use of appropriate accounting policies and the appropriateness of accounting policies and their application. Critical accounting policies and practices are those that are both most important to the portrayal of the Company's financial condition and results and require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Company's significant and critical accounting policies and practices are disclosed below as required by the accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates and Critical Accounting Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods.

These significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to these estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the consolidated financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly. The Company uses estimates in accounting for, among other items, revenue recognition, allowance for doubtful accounts, stock-based compensation, income tax provisions, excess and obsolete inventory reserve, and impairment of intellectual property.

Actual results could differ from those estimates.

Principles of consolidation

The Company consolidates all majority-owned subsidiaries, if any, in which the parent's power to control exists.

As of December 31, 2024, the Company's consolidated subsidiaries and/or entities are as follows:

| Name of combined affiliate | State or other jurisdiction of incorporation or organization | Company Ownership Interest |
|-----------------------------------|---|-----------------------------------|
| Jerrick Ventures LLC | Delaware | 100% |
| Abacus Tech Pty Ltd | Australia | 100% |
| CEOBloc, LLC | Delaware | 100% |
| OG Collection, Inc. | Delaware | 41.5% |
| Vocal, Inc. | Nevada | 41.8% |
| S96 NYC, LLC | New York | 100% |

All other previously consolidated subsidiaries have been dissolved or sold.

All inter-company balances and transactions have been eliminated.

Fair Value of Financial Instruments

The fair value measurement disclosures are grouped into three levels based on valuation factors:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments and market corroborated inputs)
- Level 3 – significant unobservable inputs (including Company assumptions in determining the fair value of investments)

The Company's Level 1 assets/liabilities include cash, accounts receivable, accounts payable, prepaid and other current assets, line of credit and due to related parties. Management believes the estimated fair value of these accounts at December 31, 2024 and 2023 approximate their carrying value as reflected in the consolidated balance sheets due to the short-term nature of these instruments or the use of market interest rates for debt instruments.

The Company's Level 2 assets/liabilities include certain of the Company's notes payable. Their carrying value approximates their fair values based upon a comparison of the interest rate and terms of such debt given the level of risk to the rates and terms of similar debt currently available to the Company in the marketplace.

The Company's Level 3 assets/liabilities include goodwill, intangible assets, marketable debt securities, equity investments at cost, and derivative liabilities. Inputs to determine fair value are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques, including option pricing models and discounted cash flow models. Unobservable inputs used in the models are significant to the fair values of the assets and liabilities.

The following tables provide a summary of the relevant assets that are measured at fair value on a recurring basis:

**Fair Value Measurements as of
December 31, 2024**

| | Total | Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1) | Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------------------------|--------------|--|--|--|
| Assets: | | | | |
| Marketable securities | \$ 67,676 | \$ 67,676 | \$ - | \$ - |
| Total assets | \$ 67,676 | \$ 67,676 | \$ - | \$ - |
| Liabilities: | | | | |
| Stock Compensation Liability | \$ - | \$ - | \$ - | \$ - |
| Derivative liabilities | \$ - | \$ - | \$ - | \$ - |
| Total Liabilities | \$ - | \$ - | \$ - | \$ - |

**Fair Value Measurements as of
December 31, 2023**

| | Total | Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1) | Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------------------------|--------------|--|--|--|
| Assets: | | | | |
| Marketable securities | \$ - | \$ - | \$ - | \$ - |
| Total assets | \$ - | \$ - | \$ - | \$ - |
| Liabilities: | | | | |
| Stock Compensation Liability | \$ 449,376 | | | \$ 449,376 |
| Derivative liabilities | \$ 7,836,521 | \$ - | \$ - | \$ 7,836,521 |
| Total Liabilities | \$ 8,285,897 | \$ - | \$ - | \$ 8,285,897 |

Our marketable equity securities are publicly traded stocks measured at fair value using quoted prices for identical assets in active markets and classified as Level 1 within the fair value hierarchy. Marketable equity securities as of December 31, 2024 and 2023 are \$0.

The change in net realized depreciation on equity trading securities that have been included in other expenses for the year ended December 31, 2024 and 2023 was \$0 and \$0, respectively.

The following are the changes in the derivative liabilities during the years ended December 31, 2024 and 2023:

| | Years Ended December 31, 2024 and 2023 | | | |
|---|--|---------|-------------|-------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Derivative liabilities as January 1, 2023 | \$ - | \$ - | \$ - | - |
| Addition | - | - | 12,580,708 | 12,580,708 |
| Changes in fair value | - | - | (4,744,187) | (4,744,187) |
| Extinguishment | - | - | - | - |
| Derivative liabilities as December 31, 2023 | - | - | 7,836,521 | 7,836,521 |
| Addition | - | - | - | - |
| Changes in fair value | - | - | 7,836,521 | 7,836,521 |
| Extinguishment | - | - | - | - |
| Derivative liabilities as December 31, 2024 | \$ - | \$ - | \$ - | \$ - |

The following tables provide a summary of the relevant assets that are measured at fair value on a non-recurring basis:

**Fair Value Measurements as of
December 31, 2024**

| | Total | Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1) | Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------|------------|--|--|--|
| Assets: | | | | |
| Intangible assets | \$ - | \$ - | \$ - | \$ - |
| Goodwill | 371,448 | - | - | \$ 371,448 |
| Total assets | \$ 371,448 | \$ - | \$ - | \$ 371,448 |

**Fair Value Measurements as of
December 31, 2023**

| | Total | Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1) | Quoted Prices for Similar Assets or Liabilities in Active Markets (Level 2) | Significant Unobservable Inputs (Level 3) |
|-----------------------------|-------|---|--|--|
| Assets: | | | | |
| Equity investments, at cost | \$ - | \$ - | \$ - | \$ - |
| Intangible assets | - | - | - | - |
| Goodwill | - | - | - | - |
| Total assets | \$ - | \$ - | \$ - | \$ - |

Cash Equivalents

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

At times, cash balances may exceed the Federal Deposit Insurance Corporation (“FDIC”) or Financial Claims Scheme (“FCS”) insurable limits. The Company has never experienced any losses related to these balances. The uninsured cash balance as of December 31, 2024, was \$0. The Company does not believe it is exposed to significant credit risk on cash and cash equivalents.

Concentration of Credit Risk and Other Risks and Uncertainties

The Company provides credit in the normal course of business. The Company maintains allowances for credit losses on factors surrounding the credit risk of specific customers, historical trends, and other information.

The Company operates in Australia and holds total assets of \$271. It is reasonably possible that operations located outside an entity’s home country will be disrupted in the near term.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation is computed by the straight-line method (after taking into account their respective estimated residual values) over the estimated useful lives of the respective assets as follows:

| | <u>Estimated Useful Life (Years)</u> |
|---------------------------------|---|
| Computer equipment and software | 3 |
| Furniture and fixtures | 5 |
| Leasehold improvements | 3 |

Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in the consolidated statements of operations and comprehensive loss.

Impairment of Long-lived Assets Including Acquired Intangible Assets

The Company evaluates the recoverability of property and equipment, acquired finite-lived intangible assets and, purchased infinite life digital assets for possible impairment whenever events or circumstances indicate that the carrying amount of such assets may not be recoverable. The evaluation is performed at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate from the use and eventual disposition. Digital assets accounted for as intangible assets are subject to impairment losses if the fair value of digital assets decreases other than temporarily below the carrying value. The fair value is measured using the quoted price of the crypto asset at the time its fair value is being measured. If such review indicates that the carrying amount of property and equipment and intangible assets is not recoverable, the carrying amount of such assets is reduced to fair value. During the years ended December 31, 2024 and 2023, the Company recorded an impairment charge of \$0 and \$13,334.

Acquired finite-lived intangible assets are amortized on a straight-line basis over the estimated useful lives of the assets. The Company routinely reviews the remaining estimated useful lives of property and equipment and finite-lived intangible assets. If the Company changes the estimated useful life assumption for any asset, the remaining unamortized balance is amortized or depreciated over the revised estimated useful life. As of December 31, 2024 and 2023, the Company has \$0 and \$0, respectively, intangible assets on its consolidated balance sheets. Amortization expense was \$0 and \$0 for the years ended December 31, 2024 and 2023, respectively.

Goodwill

Goodwill is not amortized but is subject to periodic testing for impairment in accordance with ASC Topic 350 “Intangibles – Goodwill and Other – Testing Indefinite-Lived Intangible Assets for Impairment” (“ASC Topic 350”). The Company tests goodwill for impairment on an annual basis as of the last day of the Company’s fiscal December each year or more frequently if events occur or circumstances change indicating that the fair value of the goodwill may be below its carrying amount. The Company uses an income-based approach to determine the fair value of the reporting units. This approach uses a discounted cash flow methodology and the ability of our reporting units to generate cash flows as measures of fair value of our reporting units.

During the year ended December 31, 2024, the goodwill of the Company increased to from \$0 to \$371,448 due to the acquisition of S96 NYC, LLC (Studio 96 Publishing) and the purchase of minority interest in The Powerhouse, LLC. During the years ended December 31, 2024 and 2023, the Company recorded an impairment charge of \$0 for both years.

Commitments and Contingencies

The Company follows subtopic 450-20 of the Financial Accounting Standards Board (“FASB”) to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or un-asserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company’s consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Foreign Currency

Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the consolidated balance sheet dates. Results of operations and cash flows are translated using the average exchange rates throughout the periods. The effect of exchange rate fluctuations on the translation of assets and liabilities is included as a component of stockholders’ equity in accumulated other comprehensive loss. Gains and losses from foreign currency transactions, which are included in operating expenses, have not been significant in any period presented.

Derivative Liability

The Company evaluates its debt and equity issuances to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for in accordance with paragraph 815-10-05-4 and Section 815-40-25 of the FASB Accounting Standards Codification (“ASC”). The result of this accounting treatment is that the fair value of the embedded derivative is marked-to-market each balance sheet date and recorded as either an asset or a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the consolidated statements of operations and comprehensive loss as other income or expense. Upon conversion, exercise or cancellation of a derivative instrument, the instrument is marked to fair value at the date of conversion, exercise or cancellation and then the related fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the consolidated balance sheets as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the consolidated balance sheet dates.

The Company adopted Section 815-40-15 of the FASB ASC ("Section 815-40-15") to determine whether an instrument (or an embedded feature) is indexed to the Company's own stock. Section 815-40-15 provides that an entity should use a two-step approach to evaluate whether an equity-linked financial instrument (or embedded feature) is indexed to its own stock, including evaluating the instrument's contingent exercise and settlement provisions.

The Company utilizes a Monte Carlo simulation model for the make whole feature in the Company's outstanding Equity Line of Credit and for convertible notes that have an option to convert at a variable number of shares to compute the fair value of the derivative and to mark to market the fair value of the derivative at each consolidated balance sheet date. The inputs utilized in the application of the Monte Carlo model included a starting stock price, an expected term of each debenture remaining from the valuation date to maturity, an estimated volatility, drift, and a risk-free rate. The Company records the change in the fair value of the derivative as other income or expense in the consolidated statements of operations and comprehensive loss.

Shipping and Handling Costs

The Company classifies freight billed to customers as sales revenue and the related freight costs as cost of revenue.

Revenue Recognition

Under Topic 606, revenue is recognized when control of the promised goods or services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

The Company determines revenue recognition through the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price. The transaction price for any given subscriber could decrease based on any payments made to that subscriber. A subscriber may be eligible for payment through one or more of the monetization features offered to Vocal creators, including earnings through reads (on a cost per mile basis) and cash prizes offered to Challenge winners;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, the Company satisfies a performance obligation.

Revenue disaggregated by revenue source for the years ended December 31, 2024 and 2023 consists of the following:

| | Years Ended December 31, | |
|---|-------------------------------------|---------------------|
| | 2024 | 2023 |
| Agency (Managed Services & Branded Content) | \$ 714,548 | \$ 759,348 |
| Platform (Creator Subscriptions) | \$ 736,567 | 1,123,242 |
| Other Revenue | \$ 47,723 | 33,863 |
| | <u>\$ 1,498,874</u> | <u>\$ 1,916,453</u> |

The Company utilizes the output method to measure the results achieved and value transferred to a customer over time. Timing of revenue recognition for the years ended December 31, 2024 and 2023 consists of the following:

| | Years Ended December 31, | |
|---|-------------------------------------|---------------------|
| | 2024 | 2023 |
| Products and services transferred over time | \$ 1,451,151 | \$ 1,882,590 |
| Products transferred at a point in time | 47,723 | 33,863 |
| | <u>\$ 1,498,874</u> | <u>\$ 1,916,453</u> |

Agency Revenue

Managed Services

The Company offers comprehensive Studio/Agency Service solutions to business-to-business (B2B) and business-to-consumer (B2C) clients, encompassing digital marketing and e-commerce services. These services include the setup and ongoing management of clients' websites, Amazon and Shopify storefronts, social media pages, search engine marketing, and various tools and channels to optimize e-commerce sales and growth. Client contracts fall into three primary categories—Partners, Monthly Services, and Projects—with Partner and Monthly Services clients billed monthly, typically ranging from approximately \$5,000 to \$12,000 per month. Project fees vary based on scope. Revenue from these services is recognized over time as contractual milestones and service obligations are fulfilled.

The Company also generates Branded Content revenue by creating and publishing branded articles and challenges for clients on the Vocal platform, along with associated promotional activities and engagement tracking. Branded articles' obligations are met upon successful publication and completion of promotional milestones as per client agreements. Branded challenges' obligations are satisfied upon closure and winner announcements. Revenue recognition follows the completed contract method, recognizing revenue as services are performed and milestones achieved. Contracts typically specify fixed fees ranging from \$25,000 to \$60,000 per month, with deliverables completed within three months of contract initiation or as negotiated. Performance obligations are distinctly identified and transaction prices allocated using standalone selling price or residual methods.

Platform Revenue

Creator Subscriptions

Vocal+ is a premium subscription offering for Vocal creators. In addition to joining for free, Vocal creators now have the option to sign up for a Vocal+ membership for either \$9.99 monthly or \$99 annually, though these amounts are subject to promotional discounts and free trials. Vocal+ subscribers receive access to value-added features such as increased rate of cost per mille (thousand) ("CPM") monetization, a decreased minimum withdrawal threshold, a discount on platform processing fees, member badges for their profiles, access to exclusive Vocal+ Challenges, and early access to new Vocal features. Subscription revenues stem from both monthly and annual subscriptions, the latter of which is amortized over a twelve-month period. Any customer payments received are recognized over the subscription period, with any payments received in advance being deferred until they are earned.

The transaction price for any given subscriber could decrease based on any payments made to that subscriber. A subscriber may be eligible for payment through one or more of the monetization features offered to Vocal creators, including earnings through reads (on a cost per mille basis) and cash prizes offered to Challenge winners. Potential revenue offset is calculated by reviewing a subscriber's earnings in conjunction with payments made by the subscriber on a monthly and/or annual basis.

Affiliate Sales Revenue

Affiliate sales represents the commission the Company receives from views or sales of its multimedia assets. Affiliate revenue is earned on a "click through" basis, upon visitors viewing or purchasing the relevant video, book, or other media asset and completing a specific conversion. The revenue is recognized upon receipt as reliable estimates could not be made.

Deferred Revenue

Deferred revenue consists of billings and payments from clients in advance of revenue recognition. The Company has two types of deferred revenue, subscription revenue whereas the revenue is recognized over the subscription period and contract liabilities where the performance obligation was not satisfied. The Company will recognize the deferred revenue within the next twelve months. As of December 31, 2024 and 2023, the Company had deferred revenue of \$146,951 and \$266,037, respectively.

Accounts Receivable and Allowances

Accounts receivable are recorded and carried when the Company has performed the work in accordance with managed services, project, partner, consulting and branded content agreements. For example, the Company bills a branded content client and records the receivable once milestones are reached that are set in the agreement. The Company makes estimates for the allowance for doubtful accounts and allowance for unbilled receivables based upon its assessment of various factors, including historical experience, the age of the accounts receivable balances, credit quality of its customers, current economic conditions, and other factors that may affect its ability to collect from customers.

Effective January 1, 2023, the Company adopted the provisions of ASC 326, *Financial Instruments – Credit Losses*, which requires the measurement of credit losses based on an expected loss model, known as the Current Expected Credit Losses (CECL) model. The CECL model replaces the incurred loss methodology and requires the Company to estimate credit losses over the life of its receivables, considering historical data, current conditions, and reasonable and supportable forecasts.

During the years ended December 31, 2024 and 2023, the Company recorded \$0 and \$22,540, respectively as a credit loss.

Stock-Based Compensation

The Company recognizes compensation expense for all equity-based payments granted in accordance with ASC 718 "*Compensation – Stock Compensation*". Under fair value recognition provisions, the Company recognizes equity-based compensation over the requisite service period of the award. The Company has a relatively low forfeiture rate of stock-based compensation and forfeitures are recognized as they occur.

Restricted stock awards are granted at the discretion of the Company. These awards are restricted as to the transfer of ownership and generally vest over the requisite service periods.

The fair value of an option award is estimated on the date of grant using the Black-Scholes option valuation model. The Black-Scholes option valuation model requires the development of assumptions that are inputs into the model. These assumptions are the value of the underlying share, the expected stock volatility, the risk-free interest rate, the expected life of the option, the dividend yield on the underlying stock and forfeitures are recognized as they occur. Expected volatility is derived from the Company's historical data over the expected option life and other appropriate

factors. Risk-free interest rates are calculated based on continuously compounded risk-free rates for the appropriate term. The dividend yield is assumed to be zero as the Company has never paid or declared any cash dividends on its Common stock and does not intend to pay dividends on its Common stock in the foreseeable future. Forfeitures are recognized as they occur.

Determining the appropriate fair value model and calculating the fair value of equity-based payment awards requires the input of the subjective assumptions described above. The assumptions used in calculating the fair value of equity-based payment awards represent management's best estimates, which involve inherent uncertainties and the application of management's judgment. As a result, if factors change and the Company uses different assumptions, our equity-based compensation could be materially different in the future. The Company issues awards of equity instruments, such as stock options and restricted stock units, to employees and certain non-employee directors. Compensation expense related to these awards is based on the fair value of the underlying stock on the award date and is amortized over the service period, defined as the vesting period. The vesting period is generally one to three years. A Black-Scholes model is utilized to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used for restricted stock units. Compensation expense is reduced for actual forfeitures as they occur.

Loss Per Share

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net loss per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. For the years ended December 31, 2024 and 2023, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

The Company had the following common stock equivalents at December 31, 2024 and 2023:

| | December 31, | |
|--------------------|---------------------|------------------|
| | 2024 | 2023 |
| Series E preferred | 218 | 218 |
| Series F preferred | 617,600 | - |
| Series G preferred | 1,428,000 | - |
| Series H preferred | 1,477,821 | - |
| Options | 2,073,568 | 144,827 |
| Warrants | 32,836,486 | 1,972,602 |
| Convertible notes | 239,147 | 452,775 |
| Totals | <u>38,672,840</u> | <u>2,570,422</u> |

Recently Adopted Accounting Guidance

In May 2021, the FASB issued authoritative guidance intended to clarify and reduce diversity in an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options that remain equity classified after modification or exchange. (ASU 2021-04), *Derivatives and Hedging Contracts in Entity's Own Equity* (Topic 815). This guidance's amendments provide measurement, recognition, and disclosure guidance for an issuer's accounting for modifications or exchanges of freestanding equity-classified written call options that remain equity classified after modification or exchange. The updated guidance became effective for fiscal years beginning after December 15, 2021. During the years ended December 31, 2024 and 2023, the Company recognized a deemed dividend of \$41,598,249 and \$32,554,410 from the modification of warrants, respectively.

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326), *Measurement of Credit Losses on Financial Instruments* ("ASU-2016-13"). ASU 2016-13 affects loans, debt securities, trade receivables, and any other financial assets that have the contractual right to receive cash. The ASU requires an entity to recognize expected credit losses rather than incurred losses for financial assets. On October 16, 2019, FASB approved a final ASU delaying the effective date of ASU 2016-13 for small

reporting companies to interim and annual periods beginning after December 15, 2022. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements.

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. This ASU amends the guidance on convertible instruments and the derivatives scope exception for contracts in an entity's own equity, and also improves and amends the related EPS guidance for both Subtopics. ASU 2020-06 is effective for the fiscal year beginning after December 15, 2022, including interim periods within that fiscal year. The adoption of the guidance did not have a material impact on the Company's consolidated financial statements.

In October 2021, the FASB issued ASU No. 2021-08, *Business Combinations Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (Topic 805)*, which aims to improve the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in recognition and payment terms that affect subsequent revenue recognition. ASU 2021-08 is effective for the fiscal year beginning after December 15, 2022, including interim periods within that fiscal year. There was no material impact on the Company's consolidated financial statements upon the adoption of this ASU.

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

Note 3 – Going Concern

The Company's consolidated financial statements have been prepared assuming that it will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the consolidated financial statements, as of December 31, 2024, the Company had an accumulated deficit of \$272.5 million, a net loss of \$4.5 million and net cash used in operating activities of \$237,538 for the reporting period then ended. These factors raise substantial doubt about the Company's ability to continue as a going concern for a period of one year from the issuance of these consolidated financial statements.

The Company is attempting to further implement its business plan and generate sufficient revenues; however, its cash position may not be sufficient to support its daily operations. While the Company believes in the viability of its strategy to further implement its business plan and generate sufficient revenues and in its ability to raise additional funds by way of a public or private offering of its debt or equity securities, there can be no assurance that it will be able to do so on reasonable terms, or at all. The ability of the Company to continue as a going concern is dependent upon its ability to further implement its business plan and generate sufficient revenues and its ability to raise additional funds by way of a public or private offering.

The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 4 – Property and Equipment

Property and equipment stated at cost, less accumulated depreciation, consisted of the following at:

| | December 31, 2024 | December 31, 2023 |
|--------------------------------|------------------------------|------------------------------|
| Computer Equipment | \$ 452,832 | \$ 466,397 |
| Furniture and Fixtures | 184,524 | 184,524 |
| Leasehold Improvements | 47,616 | 47,616 |
| | 698,537 | 698,537 |
| Less: Accumulated Depreciation | (680,474) | (614,394) |
| | <u>\$ 18,062</u> | <u>\$ 84,143</u> |

Depreciation expense was \$66,080 and \$146,938 for the years ended December 31, 2024 and 2023, respectively.

Note 5 – Notes Payable

Notes payable as of December 31, 2024 and December 31, 2023 is as follows:

| | Outstanding Principal as of | | Interest Rate | Maturity Date |
|---|--|----------------------------------|--------------------------|--------------------------|
| | December 31, 2024 | December 31, 2023 | | |
| The April 2020 PPP Loan Agreement* | \$ 198,577 | \$ 198,577 | 5% | April 2022 |
| The Second September 2022 Loan Agreement* | 408,625 | 453,625 | -% | December 2023 |
| The Third September 2022 Loan Agreement* | - | 2,964 | -% | October 2023 |
| The April 2023 Loan Agreement* | 41,213 | 41,213 | 18% | April 2023 |
| The June 2023 Loan Agreement* | - | 2,500 | -% | September 2023 |
| The First July 2023 Loan Agreement* | - | 276,429 | 10% | July 2024 |
| The Third July 2023 Loan Agreement | - | 253,409 | 12% | April 2024 |
| The August 2023 Loan Agreement | - | 38,997 | -% | February 2025 |
| The First September 2023 Loan Agreement | - | 34,500 | 15% | June 2024 |
| The Second September 2023 Loan Agreement | - | 112,274 | 15% | June 2024 |
| The April 5, 2024 Loan Agreement | 56,250 | - | 15% | February 2025 |
| The May 3, 2024 Loan Agreement | 20,489 | - | -% | May 2025 |
| The May 31, 2024 Loan Agreement | 57,000 | - | 15% | May 2025 |
| The August 20, 2024 Loan Agreement | 14,645 | - | -% | February 2025 |
| The October 18, 2024 Loan Agreement | 21,586 | - | -% | April 2026 |
| The December 30, 2024 Loan Agreement | 117,614 | - | 20% | March 2025 |
| | 935,999 | 1,414,488 | | |
| Less: Debt Discount | (5,877) | (257,361) | | |
| | 930,122 | 1,157,127 | | |
| Less: Current Debt | (930,122) | (1,127,101) | | |
| Less: Debt from Discontinued Operations | - | - | | |
| Total Long-Term Debt | <u>\$ -</u> | <u>\$ 30,026</u> | | |

* Note: was in default as of December 31, 2024

The April 2020 PPP Loan Agreement

On April 30, 2020, the Company was granted a loan with a principal amount of \$282,432 (the “Loan”), pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which was enacted on March 27, 2020. The Loan, which was in the form of a Note dated April 30, 2020, matures on April 30, 2022, and bears interest at a fixed rate of 1.00% per annum, payable monthly commencing on October 30, 2020. The Note may be prepaid by the Company at any time prior to maturity without payment of any premium. Funds from the Loan may only be used to retain workers and maintain payroll or make mortgage payments, lease payments and utility payments.

As of December 31, 2024, the Loan is in default, and the lender may require immediate payment of all amounts owed under the Loan or file suit and obtain judgment.

The Second September 2022 Loan Agreement

On September 22, 2022, the Company entered into a loan agreement (the “Second September 2022 Loan Agreement”) with a lender (the “First September 2022 Lender”), whereby the Second September 2022 Lender issued the Company a promissory note of \$876,000 (the “Second September 2022 Note”). The Company received cash proceeds of \$272,614 and rolled the remaining \$303,386 of principal from the First May 2022 Loan Agreement. Pursuant to the Second September 2022 Loan Agreement, the Second September 2022 Note has a flat interest fee of \$321,637, for an effective interest rate of 100%. The maturity date of the Second September 2022 Note is May 5, 2023 (the “Second September 2022 Maturity Date”). The Company is required to make weekly payments of \$27,375. The Second September 2022 Note is secured by officers of the Company. On June 23, 2023, the Company and the Second September 2022 Lender executed an agreement amending the payment terms and extending the Second September 2022 Maturity Date to December 31, 2023.

The Company recorded a \$300,000 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

As of December 31, 2024, the Loan is in default.

The Third September 2022 Loan Agreement

On September 22, 2022, the Company entered into a loan agreement (the “Third September 2022 Loan Agreement”) with a lender (the “Third September 2022 Lender”), whereby the Third September 2022 Lender issued the Company a promissory note of \$365,000 (the “Third September 2022 Note”). The Company received cash proceeds of \$110,762 and rolled the remaining \$129,053 of principal from the Second May 2022 Loan Agreement. Pursuant to the Third September 2022 Loan Agreement, the Third September 2022 Note has a flat interest fee of \$139,524, for an effective interest rate of 143%. The maturity date of the Third September 2022 Note is May 5, 2023 (the “Second September 2022 Maturity Date”). The Company is required to make weekly payments of \$13,036. The Third September 2022 Note is secured by officers of the Company. On June 9, 2023, the Company and the Third September 2022 Lender executed an agreement amending the payment terms and extending the Third September 2022 Maturity Date to October 12, 2023.

The Company recorded a \$300,000 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

During the three months ended March 31, 2024, the Company paid the remaining principal balance of this note.

As of December 31, 2024, the note is completed.

The April 20 2023 Loan Agreement

On April 20, 2023, the Company entered into a loan agreement (the “April 2023 Loan Agreement”) with a lender (the “April 2023 Lender”), whereby the April 2023 Lender issued the Company a promissory note of \$130,000 (the

“April 2023 Note”). Pursuant to the April 2023 Loan Agreement, the April 2023 Note has an effective interest rate of 18%. The maturity date of the April 2023 Note is April 26, 2023 (the “April 2023 Maturity Date”) at which time all outstanding principal, accrued and unpaid interest and other amounts due under the April 2023 Loan Agreement are due. On April 26, 2024, the April 2023 Lender agreed to extend the maturity date of the April 2023 Note until December 31, 2024 in exchange for warrants to purchase 75,560 shares of the Company’s common stock at an exercise price of \$1.75.

On December 30, 2024, the Lender agreed to extend the maturity date of the April 2023 Note until March 31, 2025.

This note was outstanding as of December 31, 2024.

The June 2023 Loan Agreement

On June 29, 2023, the Company entered into a loan agreement (the “June 2023 Loan Agreement”) with a lender (the “June 2023 Lender”), whereby the June 2023 Lender issued the Company a promissory note of \$13,000 (the “June 2023 Note”). The maturity date of the June 2023 Note is September 30, 2023 (the “June 2023 Maturity Date”).

During the three months ended March 31, 2024, the June 2023 Lender converted the balance of the note into 1,287 shares of common stock.

This note was completed as of December 31, 2024.

The First July 2023 Loan Agreement

On July 11, 2023, the Company entered into a loan agreement (the “First July 2023 Loan Agreement”) with a lender (the “First July 2023 Lender”), whereby the July 2023 Lender issued the Company a promissory note of \$300,000 (the “First July 2023 Note”). The maturity date of the First July 2023 Note is July 10, 2024 (the “First July 2023 Maturity Date”).

The Company recorded a \$30,000 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The Company also recorded a 10% Guaranteed Interest (equal to \$30,000) deemed earned as of the issuance date. The Principal Amount and the Guaranteed Interest shall be due and payable in seven equal monthly payments (each, a “Monthly Payment”) of \$47,142.85, commencing on December 11, 2023 and continuing on the 11th day of each month thereafter (each, a “Monthly Payment Date”) until paid in full not later than July 11, 2024 (the “Maturity Date”).

On July 11, 2024, the Lender converted \$100,000 of outstanding debt into 128,205 shares of the Company’s common stock.

On September 12, 2024, the Lender converted \$41,428.81 of outstanding debt into 161,346 shares of the Company’s common stock.

On November 6, 2024, the Lender converted \$54,000 of outstanding debt into 150,000 shares of the Company’s common stock.

On December 10, 2024, the Lender converted \$21,671 of outstanding into 57,635 shares of the Company’s common stock.

As part of the agreement the Company recognized \$34,812 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, the Company accrued \$56,715 in interest. This note was outstanding as of December 31, 2024.

The July 31 2023 Loan Agreement

On July 31, 2023, the Company entered into a loan agreement (the “ July 31 2023 Loan Agreement”) with a lender (the “ July 31 2023 Lender”), whereby the July 31 2023 Lender issued the Company a promissory note of \$261,250 (the “ July 31 2023 Note”). The maturity date of the July 31 2023 Note is July 10, 2024 (the “ July 31 2023 Maturity Date”).

The Company recorded a \$52,250 debt discount relating to an original issue discount and debt issuance costs of \$9,000. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The Company will also accrue interest at the rate of 10% per annum on the outstanding balance of the note. The Principal Amount and the Guaranteed Interest shall be due and payable in six equal monthly payments (each, a “Monthly Payment”) of \$45,416.67, commencing on November 30, 2023 and continuing on the last day of each month thereafter (each, a “Monthly Payment Date”) until paid in full not later than April 30, 2024 (the “Maturity Date”).

On July 10, 2024, the Lender converted the remaining \$285,018 of outstanding debt and interest into 275,000 shares of the Company’s common stock.

As part of the agreement the Company recognized \$121,300 as a gain on extinguishment of debt.

During the twelve months ended December 31, 2024, the Company accrued \$14,360 in interest.

This note was completed as of December 31, 2024.

The August 2023 Loan Agreement

On August 23, 2023, the Company entered into a loan agreement (the “August 2023 Loan Agreement”) with a lender (the “August 2023 Lender”), whereby the August 2023 Lender issued the Company a promissory note of \$137,448 (the “May 2023 Note”). Pursuant to the August 2023 Loan Agreement, the August 2023 Note has a flat interest fee of \$12,948. The maturity date of the August 2023 Note is February 20, 2025 (the “August 2023 Maturity Date”). The Company is required to make a minimum payment every 60 days of \$15,272.

As part of the agreement the Company recognized \$4,224 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, the Company repaid the note in full.

The First September 2023 Loan Agreement

On September 27, 2023, the Company entered into a loan agreement (the “First September 2023 Loan Agreement”) with a lender (the “First September 2023 Lender”), whereby the First September 2023 Lender issued the Company a promissory note of \$51,750 (the “First September 2023 Note”). The maturity date of the First September 2023 Note is June 30, 2024 (the “First September 2023 Maturity Date”).

The Company recorded a \$6,750 debt discount relating to an original issue discount and debt issuance costs of \$5,000. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The Principal Amount shall be due and payable in full on the Maturity Date.

On July 23, 2024, the Lender converted the outstanding debt on this note and one other outstanding note into a combined 171,039 shares of the Company’s common stock, and received an additional 10,461 shares of common stock as consideration.

During the twelve months ended December 31, 2024, the Company accrued \$2,255 in interest. This note was completed as of December 31, 2024.

The Second September 2023 Loan Agreement

On September 28, 2023, the Company entered into a secured loan agreement (the “First September 2023 Loan Agreement”) with a lender (the “First September 2023 Lender”), whereby the First September 2023 Lender issued the Company a secured promissory note of \$166,905 AUD or \$107,221 United States Dollars (the “First August 2022 Note”). Pursuant to the First September 2023 Loan Agreement, the First August 2022 Note has an effective interest rate of 15%. The maturity date of the First September 2023 Note is June 30, 2024 (the “First September 2023 Maturity Date”) at which time all outstanding principal, accrued and unpaid interest and other amounts due under the First September 2023 Loan Agreement will be due. The company has the option to extend the Maturity date by 60 days at an interest rate of 19%. The loan is secured by the Australian research & development credit.

During the twelve months ended December 31, 2024, the Company repaid \$233,726 AUD or \$151,46 USD, the remaining balance against the note.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The January 26 Loan Agreement

On January 26, 2024, the Company entered into a promissory note agreement (the “January 26 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$15,000 (the “January 26 Note”). The maturity date of the January 26 Note was February 9, 2024. As additional consideration for entering in the January 26 Loan Agreement, the Company issued 9,000 warrants of the Company’s common stock. The Company repaid \$15,000 in principal on February 1, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The January 30 Loan Agreement

On January 30, 2024, the Company entered into a promissory note agreement (the “January 30 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$12,000 (the “January 30 Note”). The maturity date of the January 30 Note was February 13, 2024. As additional consideration for entering in the January 30 Loan Agreement, the Company issued 7,200 warrants of the Company’s common stock. The Company repaid \$12,000 in principal on February 1, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The February 1 Loan Agreement

On February 1, 2024, the Company entered into a promissory note agreement (the “February 1 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$20,000 (the “February 1 Note”). As additional consideration for entering in the February 1 Loan Agreement, the Company issued 12,000 warrants of the Company’s common stock. The original maturity date of the February 1 Note was February 14, 2024.

The Company recorded a \$10,769 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On February 12, 2024, the Company and Frommer executed an agreement amending the payment terms to an effective interest rate of 20% per annum accruing on the date of the amendment and extending the maturity date to April 29, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date to December 28, 2024. In exchange, Frommer received 20,859 warrants with an exercise price of \$1.75. During the twelve months ended December 31, 2024, the Company repaid \$22,055 towards the balance of this loan and accrued interest of \$3,379.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The February 5 Loan Agreement

On February 5, 2024, the Company entered into a promissory note agreement (the “February 5 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$5,000 (the “February 5 Note”). The maturity date of the February 5 Note is March 26, 2024. As additional consideration for entering in the February 5 Loan Agreement, the Company issued 3,000 warrants of the Company’s common stock. The Company repaid \$5,000 in principal on March 26, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

February 12 Loan Agreement

On February 12, 2024, the Company entered into a promissory note agreement (the “February 12 Loan Agreement”) with a lender (the “February 12 Lender”), whereby the February 12 Lender issued the Company a promissory note of \$50,000. The effective interest rate of the February 12 Note is 5%. The original maturity date of the February 12 Note was March 13, 2024.

On April 10, 2024, the Company and the February 12 Lender executed an agreement extending the maturity date to September 1, 2024. In exchange, February 12 Lender received 100,000 warrants with an exercise price of \$4.00.

On July 19, 2024, the Company and the February 12 Lender executed an agreement extending the maturity date from September 1, 2024 to December 28, 2024.

On September 3, the February 12 Lender converted the remaining balance of the note to shares of Series G Preferred stock.

During the twelve months ended September 30, 2024, this note accrued interest of \$1,390. This note was completed as of December 31, 2024.

The February 22 Loan Agreement

On February 22, 2024, the Company entered into a promissory note agreement (the “February 22 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$42,500 (the “February 22 Note”). The original maturity date of the February 22 Note was April 28, 2024. As additional consideration for entering in the February 22 Loan Agreement, the Company issued 25,500 warrants of the Company’s common stock.

The Company recorded a \$22,885 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On April 20, 2024, the Company and Frommer executed an agreement amending the payment terms to an effective interest rate of 20% per annum accruing on the date of the amendment and extending the maturity date to April 29, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date of this note and 2 other outstanding notes to December 28, 2024. In exchange for all three extensions, Frommer received 206,537 warrants with an exercise price of \$1.75.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$22,622.

As part of the agreement the Company recognized \$14,031 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, this note accrued interest of \$6,746. This note was completed as of December 31, 2024.

The March 26 Loan Agreement

On March 26 2024, the Company entered into a promissory note agreement (the “March 26 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$50,000 (the “March 26 Note”). The default interest rate of the March 26 Note is 20% per annum. The original maturity date of the March 26 Note was April 22, 2024. As additional consideration for entering in the March 26 Loan Agreement, the Company issued 30,000 warrants of the Company’s common stock.

The Company recorded a \$26,923 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On April 22, 2024, the Company and Frommer executed an agreement amending the payment terms to a default interest rate of 20% per annum and extending the maturity date to April 26, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date of this note and 2 other outstanding notes to December 28, 2024. In exchange for all three extensions, Frommer received 206,537 warrants with an exercise price of \$1.75.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$86,992.

As part of the agreement the Company recognized \$10,069 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, this note accrued interest of \$12,069. This note was completed as of December 31, 2024.

The April 5th Loan Agreement

On April 5, 2024, the Company entered into a promissory note agreement (the “April 5 Loan Agreement”) with a lender (“April 5 lender”), whereby the April 5 lender issued the Company a convertible promissory note of \$56,250 (the “April 5 Note”). The maturity date of the April 5 Note is October 31, 2024.

The Company recorded a \$11,250 debt discount relating to an original issue discount and \$5,000 in issuance costs. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On December 4, 2024, the Lender agreed to extend the note’s maturity date to March 31, 2025.

During the twelve months ended December 31, 2024, this note accrued interest of \$4,592. This note was outstanding as of December 31, 2024.

The May 3rd Loan Agreement

On May 3, 2024, the Company entered into a promissory note agreement (the “May 3 Loan Agreement”) with a lender (“May 3 lender”), whereby the May 3 lender issued the Company a convertible promissory note of \$83,478 (the “May 3rd Note”).

The Company recorded a \$25,878 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. During the twelve months ending December 31, 2024, the Company paid \$39,511 in principal towards this note.

As of December 31, 2024, this note remains outstanding.

The May 6th Loan Agreement

On May 6, 2024, the Company entered into a promissory note agreement (the “May 6 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$7,000 (the “May 6 Note”). As additional consideration for entering in the May 6 Loan Agreement, the Company issued 12,000 warrants of the Company’s common stock. The original maturity date of the May 6 Note was May 7, 2024.

During the three months ending June 30, 2024, the company paid the principal of this note back in full. \$500 in interest remains outstanding.

As of December 31, 2024, this note remains outstanding.

The May 28 Loan Agreement

On May 28, 2024, the Company entered into a loan agreement (the “May 28 Loan Agreement”) with a lender (the “May 28 Lender”), whereby the May 28 Lender issued the Company a promissory note of \$65,944 (the “May 28 Note”). The maturity date of the May 28 Note is November 26, 2025 (the “Maturity Date”). The Company is required to make a minimum payment every 60 days of \$7,327.

The Company recorded a \$9,144 debt issuance cost. The debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The principal of the note shall be due and payable in full on the Maturity Date.

During the twelve months ended December 31, 2024, the Company repaid \$105,621 towards the balance of this note and recognized a \$39,677 gain on extinguishment of debt.

The May 31 Loan Agreement

On May 31, 2024, the Company entered into a promissory note agreement (the “May 31 Loan Agreement”) with a lender (the “May 31 Lender”) whereby the May 31 Lender issued the Company a promissory note in the amount of \$60,000. The Maturity Date of the note is May 31, 2025. The Company recorded debt issuance costs of \$1,800. The debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The principal of the note shall be due and payable in full on the Maturity Date.

During the twelve months ended December 31, 2024, the Company repaid \$3,000 towards the balance of this note. As of December 31, 2024, the note remains outstanding.

The June 13th Loan Agreement

On June 13, 2024, the Company entered into a promissory note agreement (the “June 13 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$7,500 (the “June 13 Note”). As additional consideration for entering in the June 13 Loan Agreement, the Company issued 12,878 warrants of the Company’s common stock. The original maturity date of the June 13 Note was July 13, 2024.

On September 20, 2024, the Company and Frommer executed an agreement extending the maturity date of this note to December 28, 2024.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$8,000.

During the twelve months ended December 31, 2024, this note accrued interest of \$500. This note was completed as of December 31, 2024.

The August 20th Loan Agreement

On August 20, 2024, the Company entered into a loan agreement (the “August 20 Loan Agreement”) with a lender (the “August 20 Lender”), whereby the August 20 Lender issued the Company a promissory note of \$15,415.37 (the “August 20 Note”). The maturity date of the August 20 Note is February 20, 2025 (the “Maturity Date”). The Company recorded a \$1,615.37 debt issuance cost.

During the twelve months ended December 31, 2024, the Company repaid \$770 towards the balance of this note. As of December 31, 2024, the note remains outstanding.

The October 18, 2024 Loan Agreement

On October 18, 2024, the Company entered into a loan agreement (the “October 18 Loan Agreement”) with a lender (the “October 18 Lender”), whereby the October 18 Lender issued the Company a promissory note of \$43,041 (the “October 18 Note”). The maturity date of the October 18 Note is April 18, 2024 (the “Maturity Date”). The Company is required to make a minimum payment every 60 days of \$4,782.

The Company recorded a \$3,841 debt issuance cost. The debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost. The principal of the note shall be due and payable in full on the Maturity Date.

During the year ended December 31, 2024, the Company repaid \$21,455 towards this note.

The December 19, 2024 Loan Agreement

On December 19, 2024, the Company entered into a loan agreement (the “December 19 Loan Agreement”) with a lender (the “December 19 Lender”), whereby the December 19 Lender issued the Company a promissory note of \$12,060 (the “December 19 Note”). The maturity date of the December 19 Note was December 27, 2024 (the “Maturity Date”). As consideration for entering in the December 19 Loan Agreement, the Company issued 60,300 warrants of the Company’s common stock.

During the year ended December 31, 2024, the Company repaid \$12,060 towards this note. This note was completed as of December 31, 2024.

The December 30, 2024 Loan Agreement

On December 30, 2024, the Company entered into a Loan Agreement with Jeremy Frommer, where the Company consolidated the outstanding notes with Mr. Frommer (the February 22 Loan Agreement, the March 26 Loan Agreement, and the June 13 Loan Agreement). The Company issued the promissory note with a principal amount of \$117,614, the sum of the balances of the three consolidated notes. The promissory note includes an interest rate of 20% per annum and has a maturity date of March 31, 2025.

During the year ended December 31, 2024, the note remains outstanding.

Note 6 – Convertible Notes Payable

Convertible notes payable as of December 31, 2024 and December 31, 2023 is as follows:

| | Outstanding Principal as of December 31, 2024 | Outstanding Principal as of December 31, 2023 | Interest Rate | Conversion Price | Maturity Date | Warrants granted | |
|--|---|---|------------------|---------------------|------------------|------------------|-----------------------|
| | | | | | | Quantity | Exercise Price |
| The May 2022 Convertible Note Offering* | \$ - | 990,000 | 18% | \$ 1,000(*) | November-22 | 8,000 | \$ 1,500 – \$3,000 |
| The July 2022 Convertible Note Offering | - | 1,756,159 | 18% | \$ 5.00(*) | March-23 | 4,300 | \$ 5.00 |
| The December 2022 Convertible Loan Agreement | - | 250,000 | -% | \$ 12.50(*) | April-23 | 1,125 | \$ 100.00 |
| The January 2023 Convertible Loan Agreement | - | 847,500 | - % | \$ 12.50(*) | June-23 | - | - |
| The February 2023 Convertible Loan Agreement | | 1,387,500 | - % | \$ 12.50(*) | June-23 | - | - |
| The April 2023 Loan Agreement | - | 109,250 | 10% | (*) | May-24 | - | - |
| The First May 2023 Loan Agreement | - | 213,878 | 10% | \$ 5.00 | May-24 | 4,400 | \$ 62.50 |
| The Second May 2023 Loan Agreement | - | 31,146 | 10 % | (*) | February-24 | - | - |
| The June 2023 Loan Agreement | - | 50,600 | -% | \$ 5.00(*) | December-23 | 173 | \$ 100.00 |
| The July 2023 Loan Agreement | - | 143,000 | 10% | \$ (*) | July-24 | - | - |
| The October 2023 Loan Agreement | - | 111,111 | -% | \$ 8.00(*) | October-23 | - | - |
| The First March 13, 2024 Loan Agreement | 550,000 | - | 10% | \$ 8.50 | September-25 | - | - |
| The Second March 13, | 550,000 | - | 10% | \$ 8.50 | September-25 | - | - |

| | | | | | | | | |
|---|---------------------|---------------------|-----|------|------------|---------|----|------|
| 2024 Loan Agreement | | | | | | | | |
| The Fourth April 2, 2024 Loan Agreement | 105,370 | - | -% | 2.50 | October-24 | 5,556 | \$ | 5.00 |
| The November 12, 2024 Loan Agreement | 30,000 | - | 18% | 1.00 | March-25 | 120,000 | \$ | 0.87 |
| | <u>1,235,371</u> | <u>5,858,998</u> | | | | | | |
| Less: Debt Discount | (19,213) | (323,887) | | | | | | |
| Less: Debt Issuance Costs | - | - | | | | | | |
| | <u>\$ 1,216,158</u> | <u>\$ 5,535,111</u> | | | | | | |

(*) As subject to adjustment as further outlined in the notes

* Note: was in default as of December 31, 2024

The May 2022 Convertible Note Offering

During May of 2022, the Company conducted multiple closings of a private placement offering to accredited investors (the “May 2022 Convertible Note Offering”) of units of the Company’s securities by entering into subscription agreements with “accredited investors” (the “May 2022 Investors”) for aggregate gross proceeds of \$4,000,000. The May 2022 convertible notes are convertible into shares of the Company’s common stock, par value \$0.01 per share at a conversion price of \$1,000 per share. As additional consideration for entering in the May 2022 Convertible Note Offering, the Company issued 8,000 warrants of the Company’s common stock. The May 2022 Convertible Note matured on November 30, 2022.

The Company recorded a \$1,895,391 debt discount relating to 8,000 warrants issued to investors based on the relative fair value of each equity instrument on the dates of issuance. The debt discount is being accreted over the life of these notes to accretion of debt discount and issuance cost.

The Company recorded a \$399,964 debt discount relating to an original issue discount and \$125,300 of debt issuance costs related to fees paid to vendors relating to the offering. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On September 2, 2022, the Company went into default on these notes. As part of the default terms the Company owes 110% of the principal outstanding and the notes accrue interest at a rate of 18%.

On September 15, 2022, the Company and six out of eight lenders May 2022 Investors agreed to forgive default interest and extend the maturity date to March 31, 2023, for a reduced conversion price of \$100 for the convertible notes and warrants. Since the PV cashflows of the new and old debt were more than 10% differences the company used extinguishment accounting. As part of the agreement the Company recognized \$1,083,684 as loss on extinguishment of debt due to the remaining debt discount and recognized \$331,861 as a gain on extinguishment of debt due to the forgiveness of interest. The company also recognized an additional \$75,610 of debt discount from the change in relative fair value on the warrants.

During the three months ended March 31, 2024, the Company entered into an agreement with the remaining May 2022 Investors to restructure the remaining May 2022 Convertible Notes. Since the PV cashflows of the new and

old debt were more than 10% differences the company used extinguishment accounting. As part of the agreement the Company recognized a \$110,000 loss on extinguishment of debt due to additional principal and a \$297,814 gain on extinguishment of debt due to the forgiveness of interest.

During the twelve months ended December 31, 2024, this note accrued interest of \$88,301 This note was outstanding as of December 31, 2024.

The July 2022 Convertible Note Offering

During July of 2022, the Company conducted multiple closings of a private placement offering to accredited investors (the “July 2022 Convertible Note Offering”) of units of the Company’s securities by entering into subscription agreements with “accredited investors” (the “July 2022 Investors”) for aggregate gross proceeds of \$2,150,000. The July 2022 convertible notes are convertible into shares of the Company’s common stock, par value \$.001 per share at a conversion price of \$1,000 per share. As additional consideration for entering in the July 2022 Convertible Note Offering, the Company issued 4,300 warrants of the Company’s common stock. The July 2022 Convertible Note matures on November 30, 2022.

The Company recorded a \$863,792 debt discount relating to 4,300 warrants issued to investors based on the relative fair value of each equity instrument on the dates of issuance. The debt discount is being accreted over the life of these notes to accretion of debt discount and issuance cost.

The Company recorded a \$214,981 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

On September 2, 2022, the Company went into default on these notes. As part of the default terms the Company owes 110% of the principal outstanding and the notes accrue interest at a rate of 18%.

On September 15, 2022, the Company and the July Investors agreed to forgive default interest and extend the maturity date to March 31, 2023, for a reduced conversion price of \$100 for the convertible notes and warrants. Since the present value of the cash flows of the new and old debt were more than 10% different, the company used extinguishment accounting. As part of the agreement the Company recognized \$339,594 as loss on extinguishment of debt due to the remaining debt discount and recognized \$230,162 as a gain on extinguishment of debt due to the forgiveness of interest.

During the three months ended March 31, 2024, the July 2022 Investors converted all outstanding note amounts into the Company’s Preferred Series F stock. The Company recognized a \$4,714 loss on settlement of debt due to rounding of preferred shares and a \$379,606 gain on settlement of debt due to the forgiveness of interest.

As of December 31, 2024, this note is completed.

The December 2022 Convertible Loan Agreement

On December 12, 2022, the Company entered into a loan agreement (the “December 2022 Loan Agreement”) with a lender (the “December 2022 Lender”), whereby the December 2022 Lender issued the Company a promissory note of \$750,000 (the “December 2022 Note”). Pursuant to the December 2022 Loan Agreement. The maturity date of the Third October 2022 Note is April 24, 2023 (the “Third October 2022 Maturity Date”).

The Second October 2022 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$100.

The Company recorded a \$241,773 debt discount relating to 1,125 warrants issued to investors based on the relative fair value of each equity instrument on the dates of issuance and \$508,227 relating to the beneficial conversion feature. The debt discount is being accreted over the life of these notes to accretion of debt discount and issuance cost.

During the twelve months ended December 31, 2023, the December 2022 Lender converted \$500,000 into 5,000 shares of the Company's common stock and accrued \$7,397 of interest.

On October 6, 2023, the Company entered into an restructuring agreement with the December 2022 Lender whereby the maturity date was extended to February 28, 2024 And the conversion price was lowered to \$12.50.

During the three months ended March 31, 2024, the December 2022 Lender converted \$222,397 of this note into the Company's Preferred Series F stock.

As of December 31, 2024, the Note is completed.

The January 2023 Loan Agreement

On January 13, 2023, the Company entered into a loan agreement (the "January 2023 Loan Agreement") with a lender (the "January 2023 Lender"), whereby the January 2023 Lender issued the Company a promissory note of \$847,500 (the "January 2023 Note"). The maturity date of the January 2023 Note is June 13, 2023 (the "January 2023 Maturity Date").

The January 2023 Note is convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") equal to \$100.

The Company recorded a \$847,500 debt discount relating to a \$97,500 original issue discount and \$750,000 from a beneficial conversion feature. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On October 6, 2023, the Company entered into an restructuring agreement with the December 2022 Lender whereby the maturity date was extended to February 28, 2024 and the conversion price was lowered to \$12.50.

During the three months ended March 31, 2024, the January 2023 Lender converted all outstanding note amounts into the Company's Preferred Series F stock.

As of December 31, 2024, this Note is completed.

The February 2023 Loan Agreement

On February 1, 2023, the Company entered into a loan agreement (the "February 2023 Loan Agreement") with a lender (the "February 2023 Lender"), whereby the February 2023 Lender issued the Company a promissory note of \$1,387,500 (the "February 2023 Note"). The maturity date of the February 2023 Note is June 13, 2023 (the "February 2023 Maturity Date").

The February 2023 Note is convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") equal to \$100.

The Company recorded a \$1,387,500 debt discount relating to a \$137,500 original issue discount and \$1,250,000 from a beneficial conversion feature. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On October 6, 2023, the Company entered into a restructuring agreement with the December 2022 Lender whereby the maturity date was extended to February 28, 2024.

During the three months ended March 31, 2024, the February 2023 Lender converted all outstanding note amounts into the Company's Preferred Series F stock.

As of December 31, 2024, this Note is completed.

The April 24 2023 Loan Agreement

On April 24, 2023, the Company entered into a loan agreement (the “April 2023 Loan Agreement”) with a lender (the “April 2023 Lender”), whereby the April 2023 Lender issued the Company a promissory note of \$109,500 (the “April 2023 Note”). Pursuant to the April 2023 Loan Agreement, the April 2023 Note has an interest rate of 10%. The maturity date of the April 2023 Note is April 24, 2024 (the “April 24 2023 Maturity Date”).

The Company recorded a \$5,000 debt discount relating to an original issue discount and \$4,250 in issuance costs. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On October 21, 2023, the April 2023 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to 65% of the lowest trading price of the Company’s common stock on the ten-trading day immediately preceding the date of the respective conversion.

On July 23, 2024, the Lender converted the outstanding debt on this note and one other outstanding note into a combined 171,039 shares of the Company’s common stock, and received an additional 10,461 shares of common stock as consideration.

As part of the agreement the Company recognized \$46,820 as a gain on extinguishment of debt.

During the twelve months ended December 31, 2024, the Company accrued \$3,607 in interest. This note was completed as of December 31, 2024.

The First May 2023 Loan Agreement

On May 16, 2023, the Company entered into a loan agreement (the “First May 2023 Loan Agreement”) with a lender (the “First May 2023 Lender”), whereby the First May 2023 Lender issued the Company a promissory note of \$275,000 (the “First May 2023 Note”). Pursuant to the First May 2023 Loan Agreement, the First May 2023 Note has an interest rate of 10%. The maturity date of the First May 2023 Note is May 16, 2024 (the “First May 2023 Maturity Date”). As additional consideration for entering in the First May 2022 Loan Agreement, the Company issued 4,400 warrants of the Company’s common stock and 750 restricted shares of the Company’s common stock.

The First May 2023 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) at a price of \$5.00 per share.

The Company recorded a \$60,000 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

As part of the agreement the Company recognized \$76,289 as a gain on extinguishment of debt.

On July 2, 2024, the Lender converted \$278,178 of outstanding debt and interest into 231,815 shares of the Company’s common stock.

This note was completed as of December 31, 2024.

The Second May 2023 Loan Agreement

On May 24, 2023, the Company entered into a loan agreement (the “Second May 2023 Loan Agreement”) with a lender (the “Second May 2023 Lender”), whereby the Second May 2023 Lender issued the Company a promissory note of \$86,250 (the “Second May 2023 Note”). Pursuant to the Second May 2023 Loan Agreement, the Second May 2023 Note has an interest rate of 10%. The maturity date of the Second May 2023 Note is February 28, 2024 (the “Second May 2023 Maturity Date”). Beginning June 30, 2023, the Company is required to make 9 monthly payments of \$11,021.

At any time following an event of default, the Second May 2023 Note is convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") equal to 61% of the lowest trading price of the Company's common stock in the twenty-trading day immediately preceding the date of the respective conversion.

The Company recorded a \$16,250 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

During the twelve months ending December 31, 2024, the company repaid this debt in full. The company recorded a \$1,096 gain on extinguishment of debt. This note was completed as of December 31, 2024.

The June 2023 Loan Agreement

On June 23, 2023, the Company entered into a loan agreement (the "June 2023 Loan Agreement") with Jeremy Frommer, the Company's CEO, whereby Mr. Frommer issued the Company a promissory note of \$86,100 (the "June 2023 Note"). Pursuant to the June 2023 Loan Agreement, the June 2023 Note has an effective interest rate of 18%. The maturity date of the June 2023 Note is December 23, 2023 (the "June 2023 Maturity Date") at which time all outstanding principal, accrued and unpaid interest and other amounts due under the June 2023 Loan Agreement are due. The June 2023 Note is convertible into the Company's common stock at a price of \$5.00 per share.

During the six months ended June 30, 2024, this note was paid off in full.

This note was completed as of December 31, 2024.

The July 2023 Loan Agreement

On July 27, 2023, the Company entered into a loan agreement (the "July 2023 Loan Agreement") with a lender (the "July 2023 Lender"), whereby the July 2023 Lender issued the Company a promissory note of \$143,000 (the "July 2023 Note"). Pursuant to the July 2023 Loan Agreement, the July 2023 Note has an interest rate of 10%. The maturity date of the July 2023 Note is July 27, 2024 (the "July 2023 Maturity Date").

On October 21, 2023, the July 2023 Note is convertible into shares of the Company's common stock, par value \$0.001 per share ("Conversion Shares") equal to 65% of the lowest trading price of the Company's common stock on the ten-trading day immediately preceding the date of the respective conversion.

The Company recorded a \$3,000 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

On July 23, 2024, the Lender converted \$114,255 of outstanding debt on this note and one other outstanding note into a combined 171,039 shares of the Company's common stock, and received an additional 10,461 shares of common stock as consideration.

This note was completed as of December 31, 2024.

The October 2023 Loan Agreement

On October 31, 2023, the Company entered into a loan agreement (the "October 2023 Loan Agreement") with a lender (the "October 2023 Lender") whereby the October 2023 Lender issued the Company a promissory note of \$111,111 (the "October 2023 Note"). The maturity date of the October 2023 Note is October 31, 2024 (the "October 2023 Maturity Date").

The Company recorded a \$11,111 debt discount relating to an original issue discount. The debt discount is being accreted over the life of the note to accretion of debt discount and issuance cost.

During the three months ended March 31, 2024, the October 2023 lender converted \$35,860 of the amounts owed under the note into the Company's common stock and the Company accrued \$2,740 in interest.

On July 29, 2024, the October 2023 lender converted the remaining \$98,309 of outstanding debt to 81,924 shares of the Company's common stock.

As part of the agreement the Company recognized \$20,696 as a gain on extinguishment of debt.

This note was completed as of December 31, 2024.

The February 20 Loan Agreement

On February 20, 2024, the Company entered into a promissory note agreement (the "February 20 Loan Agreement") with a lender (the "February 20 Lender"), whereby the February 20 Lender issued the Company a promissory note of \$50,000. The interest rate of the February 20 Note is 5%. The maturity date of the February 20 Note is August 30, 2024. As additional consideration for entering in the February 20 Loan Agreement, the Company issued 16,667 warrants of the Company's common stock. The February 20 Loan Agreement is convertible into the Company's common stock at a price of \$3.00 per share.

On July 19, 2024, the Company and the February 20 Lender executed an agreement extending the maturity date from August 30, 2024 to December 28, 2024.

On September 3, the February 20 Lender converted the remaining balance of the note to shares of Series G Preferred stock. The Company recognized \$1,336 as a gain on extinguishment of debt.

During the twelve months ended December 31, 2024, this note accrued interest of \$1,336. This note was completed as of December 30, 2024.

The March 11 Loan Agreement

On March 11, 2024, the Company entered into a convertible note agreement (the "March 11 Loan Agreement") with a lender (the "March 11 Lender"), whereby the March 11 Lender issued the Company a convertible promissory note \$100,000. The interest rate of the March 11 Note is 5%. The maturity date of the March 11 Note is July 11, 2024. As additional consideration for entering in the March 11 Loan Agreement, the Company issued 20,000 warrants of the Company's common stock. The March 11 Loan Agreement is convertible into the Company's common stock at a price of \$3.00 per share.

On July 19, 2024, the Company and the March 11 Lender executed an agreement extending the maturity date from July 11, 2024 to December 28, 2024.

On September 3, the March 11 Lender converted the remaining balance of the note to shares of Series G Preferred stock.

During the twelve months ended December 31, 2024, this note accrued interest of \$28,945. This note was completed as of December 31, 2024.

The March 22 Loan Agreement

On March 22, 2024, the Company entered into a convertible note agreement (the "March 22 Loan Agreement") with a lender (the "March 22 Lender"), whereby the March 22 Lender issued the Company a convertible promissory note \$75,000. The interest rate of the March 22 Note is 5%. The maturity date of the March 22 Note is July 22, 2024. As additional consideration for entering in the March 22 Loan Agreement, the Company issued 15,500 warrants of the Company's common stock. The March 22 Loan Agreement is convertible into the Company's common stock at a price of \$2.75 per share.

On July 19, 2024, the Company and the March 22 Lender executed an agreement extending the maturity date from July 22, 2024 to December 28, 2024.

On September 3, the March 22 Lender converted the remaining balance of the note to shares of Series G Preferred stock.

During the three months ended December 31, 2024, this note accrued interest of \$1,685. This note was completed as of December 31, 2024.

The First April 2nd Loan Agreement

On April 2, 2024, the Company entered into a loan agreement (the “First April 2 Loan Agreement”) with a lender (the “First April 2 Lender”), whereby the First April 2 Lender issued the Company a promissory note of \$55,556 (the “First April 2 Note”). The maturity date of the First April 2 Note is October 2, 2024 (the “Maturity Date”). The First April 2 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$2.50. The Company recorded a \$5,556 debt discount relating to an original issue discount. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On October 15, 2024 the Lender agreed to amend the loan agreement, whereby the Maturity Date was extended to April 2, 2025. As consideration for the exchange, the Company agreed to increase the principal to \$108,970, which was inclusive of all penalty principal additions and original issue discounts. As part of the agreement, the Company is required to make monthly payments of \$1,800 towards the balance of the note.

This note was outstanding as of December 31, 2024.

The Second April 2nd Loan Agreement

On April 2, 2024, the Company entered into a loan agreement (the “Second April 2 Loan Agreement”) with a lender (the “Second April 2 Lender”), whereby the Second April 2 Lender issued the Company a promissory note of \$27,778 (the “Second April 2 Note”). The maturity date of the Second April 2 Note is October 2, 2024 (the “Maturity Date”). The Second April 2 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$2.50. The Company recorded a \$2,778 debt discount relating to an original issue discount. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On November 21, the Lender converted the remaining balance of the note to shares of Series G Preferred stock.

This note was completed as of December 31, 2024.

The Third April 2nd Loan Agreement

On April 2, 2024, the Company entered into a loan agreement (the “Second April 2 Loan Agreement”) with a lender (the “Second April 2 Lender”), whereby the Second April 2 Lender issued the Company a promissory note of \$27,778 (the “Second April 2 Note”). The maturity date of the Second April 2 Note is October 2, 2024 (the “Maturity Date”). The Second April 2 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$2.50. The Company recorded a \$2,778 debt discount relating to an original issue discount. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On August 29, 2024, the Second April 2 Lender converted the remaining balance of the note to shares of Series G Preferred stock.

This note was completed as of December 31, 2024.

The Fourth April 2nd Loan Agreement

On April 2, 2024, the Company entered into a loan agreement (the “Second April 2 Loan Agreement”) with a lender (the “Second April 2 Lender”), whereby the Second April 2 Lender issued the Company a promissory note of \$27,778 (the “Second April 2 Note”). The maturity date of the Second April 2 Note is October 2, 2024 (the “Maturity Date”). The Second April 2 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$2.50. The Company recorded a \$2,778 debt discount relating to an original issue discount. The debt discount and debt issuance cost are being accreted over the life of the note to accretion of debt discount and issuance cost.

On August 27, 2024, the Third April 2 Lender converted the remaining balance of the note to shares of Series G Preferred stock.

This note was completed as of December 31, 2024.

The April 12th Loan Agreement

On April 12, 2024, the Company entered into a promissory note agreement (the “April 12 Loan Agreement”) with a lender (“April 12 lender”), whereby the April 12 lender issued the Company a convertible promissory note of \$50,000 (the “April 12 Note”). The April 12 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$2.50. As additional consideration for entering in the April 12th Loan Agreement, the Company issued 40,000 warrants of the Company’s common stock. The original maturity date of the April 12 Note was August 12, 2024. On July 19, 2024, the Lender agreed to extend the maturity date to December 31, 2024.

On September 3, the April 12th Lender converted the remaining balance of the note to shares of Series G Preferred stock.

During the twelve months ended December 31, 2024, this note accrued interest of \$3,589. This note was completed as of September 30, 2024.

The November 22nd Loan Agreement

On November 22, 2024, the Company entered into a promissory note agreement (the “November 22 Loan Agreement”) with a lender (“November 22 lender”), whereby the November 22 lender issued the Company a convertible promissory note of \$30,000 (the “November 22 Note”). The November 22 Note is convertible into shares of the Company’s common stock, par value \$0.001 per share (“Conversion Shares”) equal to \$1.00, or the lesser of and the lowest per-share amount of any financing consummated after the date of the Agreement. As additional consideration for entering in the November 22 Loan Agreement, the Company issued 120,000 warrants of the Company’s common stock. The original maturity date of the November 22 Note is March 22, 2025.

During the twelve months ended December 31, 2024, this note accrued interest of \$577. As of December 31, 2024, the note remains outstanding.

Note 7 – Related Party

Officer compensation

During the year ended December 31, 2024 and 2023, the Company paid \$153,004 and \$166,018, respectively for living expenses for officers of the Company.

The June 2023 Loan Agreement

On June 23, 2023, the Company entered into a loan agreement (the “June 2023 Loan Agreement”) with Jeremy Frommer, the Company’s CEO, whereby Mr. Frommer issued the Company a promissory note of \$86,100 (the “June

2023 Note”). Pursuant to the June 2023 Loan Agreement, the June 2023 Note has an effective interest rate of 18%. The maturity date of the June 2023 Note is December 23, 2023 (the “June 2023 Maturity Date”) at which time all outstanding principal, accrued and unpaid interest and other amounts due under the June 2023 Loan Agreement are due. The June 2023 Note is convertible into the Company’s common stock at a price of \$5.00 per share. Mr. Frommer was also issued 173 warrants with an exercise price of \$20 and a relative fair value of \$3,076. See Note 9 – Stockholders’ Equity for further detail on warrant issuances. During the year ended December 31, 2023, the Company repaid \$35,500 in principal.

The January 26 Loan Agreement

On January 26, 2024, the Company entered into a promissory note agreement (the “January 26 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$15,000 (the “January 26 Note”). The maturity date of the January 26 Note was February 9, 2024. As additional consideration for entering in the January 26 Loan Agreement, the Company issued 9,000 warrants of the Company’s common stock. The Company repaid \$15,000 in principal on February 1, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The January 30 Loan Agreement

On January 30, 2024, the Company entered into a promissory note agreement (the “January 30 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$12,000 (the “January 30 Note”). The maturity date of the January 30 Note was February 13, 2024. As additional consideration for entering in the January 30 Loan Agreement, the Company issued 7,200 warrants of the Company’s common stock. The Company repaid \$12,000 in principal on February 1, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The February 1 Loan Agreement

On February 1, 2024, the Company entered into a promissory note agreement (the “February 1 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$20,000 (the “February 1 Note”). As additional consideration for entering in the February 1 Loan Agreement, the Company issued 12,000 warrants of the Company’s common stock. The original maturity date of the February 1 Note was February 14, 2024.

The Company recorded a \$10,769 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On February 12, 2024, the Company and Frommer executed an agreement amending the payment terms to an effective interest rate of 20% per annum accruing on the date of the amendment and extending the maturity date to April 29, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date to December 28, 2024. In exchange, Frommer received 20,859 warrants with an exercise price of \$1.75. During the twelve months ended December 31, 2024, the Company repaid \$22,055 towards the balance of this loan and accrued interest of \$3,379.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The February 5 Loan Agreement

On February 5, 2024, the Company entered into a promissory note agreement (the “February 5 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$5,000 (the “February 5 Note”). The maturity date of the February 5 Note is March 26, 2024. As additional consideration for entering in the February

5 Loan Agreement, the Company issued 3,000 warrants of the Company's common stock. The Company repaid \$5,000 in principal on March 26, 2024.

During the twelve months ended December 31, 2024, the Company repaid this note in full.

The February 22 Loan Agreement

On February 22, 2024, the Company entered into a promissory note agreement (the "February 22 Loan Agreement") with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$42,500 (the "February 22 Note"). The original maturity date of the February 22 Note was April 28, 2024. As additional consideration for entering in the February 22 Loan Agreement, the Company issued 25,500 warrants of the Company's common stock.

The Company recorded a \$22,885 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On April 20, 2024, the Company and Frommer executed an agreement amending the payment terms to an effective interest rate of 20% per annum accruing on the date of the amendment and extending the maturity date to April 29, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date of this note and 2 other outstanding notes to December 28, 2024. In exchange for all three extensions, Frommer received 206,537 warrants with an exercise price of \$1.75.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$22,622.

As part of the agreement the Company recognized \$14,031 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, this note accrued interest of \$6,746. This note was completed as of December 31, 2024.

The March 26 Loan Agreement

On March 26 2024, the Company entered into a promissory note agreement (the "March 26 Loan Agreement") with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$50,000 (the "March 26 Note"). The default interest rate of the March 26 Note is 20% per annum. The original maturity date of the March 26 Note was April 22, 2024. As additional consideration for entering in the March 26 Loan Agreement, the Company issued 30,000 warrants of the Company's common stock.

The Company recorded a \$26,923 debt discount relating to an original issue discount. The debt discount and debt issuance costs are being accreted over the life of the note to accretion of debt discount and issuance cost.

On April 22, 2024, the Company and Frommer executed an agreement amending the payment terms to a default interest rate of 20% per annum and extending the maturity date to April 26, 2024.

On May 6, 2024, the Company and Frommer executed an agreement extending the maturity date of this note and 2 other outstanding notes to December 28, 2024. In exchange for all three extensions, Frommer received 206,537 warrants with an exercise price of \$1.75.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$86,992.

As part of the agreement the Company recognized \$10,069 as a loss on extinguishment of debt.

During the twelve months ended December 31, 2024, this note accrued interest of \$12,069. This note was completed as of December 31, 2024.

The May 6th Loan Agreement

On May 6, 2024, the Company entered into a promissory note agreement (the “May 6 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$7,000 (the “May 6 Note”). As additional consideration for entering in the May 6 Loan Agreement, the Company issued 12,000 warrants of the Company’s common stock. The original maturity date of the May 6 Note was May 7, 2024.

During the three months ending June 30, 2024, the company paid this note back in full.

As of December 31, 2024, this note remains completed.

The June 13th Loan Agreement

On June 13, 2024, the Company entered into a promissory note agreement (the “June 13 Loan Agreement”) with Jeremy Frommer, whereby Frommer issued the Company a promissory note of \$7,500 (the “June 13 Note”). As additional consideration for entering in the June 13 Loan Agreement, the Company issued 12,878 warrants of the Company’s common stock. The original maturity date of the June 13 Note was July 13, 2024.

On September 20, 2024, the Company and Frommer executed an agreement extending the maturity date of this note to December 28, 2024.

On December 30, 2024, the Lender restructured the note with the company into a new note and completed this note (see The December 30 2024 Loan Agreement). The balance of the note at the time of restructuring was \$8,000.

During the twelve months ended December 31, 2024, this note accrued interest of \$500. This note was completed as of December 31, 2024.

The December 30, 2024 Loan Agreement

On December 30, 2024, the Company entered into a Loan Agreement with Jeremy Frommer, where the Company consolidated the outstanding notes with Mr. Frommer (the February 22 Loan Agreement, the March 26 Loan Agreement, and the June 13 Loan Agreement). The Company issued the promissory note with a principal amount of \$117,614, the sum of the balances of the three consolidated notes. The promissory note includes an interest rate of 20% per annum and has a maturity date of March 31, 2025.

During the year ended December 31, 2024, the note remains outstanding.

Note 8 – Derivative Liabilities

The Company has identified derivative instruments arising from convertible notes that have an option to convert at a variable number of shares in the Company’s convertible notes payable during the years ended December 31, 2023 and 2022. For the terms of the conversion features see Note 6. The Company had no derivative assets measured at fair value on a recurring basis as of December 31, 2024 and 2023.

The Company utilizes a Monte Carlo simulation model for the make whole feature in the Company’s outstanding Equity Line of Credit and for convertible notes that have an option to convert at a variable number of shares to compute the fair value of the derivative and to mark to market the fair value of the derivative at each balance sheet date. The inputs utilized in the application of the Monte Carlo model included a starting stock price, an expected term of each debenture remaining from the valuation date to maturity, an estimated volatility, drift, and a risk-free rate. The Company records the change in the fair value of the derivative as other income or expense in the consolidated statements of operations and comprehensive loss.

Risk-free interest rate: The Company uses the risk-free interest rate of a U.S. Treasury Note adjusted to be on a continuous return basis to align with the Monte Carlo simulation model and binomial model.

Dividend yield: The Company uses a 0% expected dividend yield as the Company has not paid dividends to date and does not anticipate declaring dividends in the near future.

Volatility: The Company calculates the expected volatility based on the company's historical stock prices with a look back period commensurate with the period to maturity.

Expected term: The Company's remaining term is based on the remaining contractual maturity of the convertible notes.

The following are the changes in the derivative liabilities during the years ended December 31, 2024 and 2023.

| | Years Ended December 31, 2024 and 2023 | | | Total |
|---|--|---------|-------------|-------------|
| | Level 1 | Level 2 | Level 3 | |
| Derivative liabilities as January 1, 2023 | \$ - | \$ - | \$ - | - |
| Addition | - | - | 12,580,708 | 12,580,708 |
| Changes in fair value | - | - | (4,744,187) | (4,744,187) |
| Extinguishment | - | - | - | - |
| Derivative liabilities as December 31, 2023 | - | - | 7,836,521 | 7,836,521 |
| Addition | - | - | - | - |
| Changes in fair value | - | - | 7,836,521 | 7,836,521 |
| Extinguishment | - | - | - | - |
| Derivative liabilities as December 31, 2024 | \$ - | \$ - | \$ - | \$ - |

Note 9 – Stockholders’ Equity

Shares Authorized

The Company is authorized to issue up to one billion, five hundred and twenty million (1,520,000,000) shares of capital stock, of which one billion five hundred million (1,500,000,000) shares are designated as common stock, par value \$0.001 per share, and twenty million (20,000,000) are designated as preferred stock, par value \$0.001 per share.

Preferred Stock

Series E Convertible Preferred Stock

The Company has designated 8,000 shares of Series E Convertible Preferred stock and has 450 shares issued and outstanding as of December 31, 2023.

The shares of Series E Preferred Stock have a stated value of \$1,000 per share and are convertible into Common Stock at the election of the holder of the Series E Preferred Stock, at any time following the Original Issue Date at a price of \$2,060 per share, subject to adjustment. Each holder of Series E Preferred Stock shall be entitled to receive, with respect to each share of Series E Preferred Stock then outstanding and held by such holder, dividends on an as-converted basis in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock.

The holders of Series E Preferred Stock shall be paid pari passu with the holders of Common Stock with respect to payment of dividends and rights upon liquidation and shall have no voting rights. In addition, as further described in the Series E Designation, as long as any of the shares of Series E Preferred Stock are outstanding, the Company shall not, without the affirmative vote of the holders of a majority of the then outstanding shares of Series E Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Series E Preferred Stock or alter or amend this Series E Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the holders of the Series E Preferred Stock, (c) increase the number of authorized shares of Series E Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing.

Each share of Series E Preferred Stock shall be convertible, at any time and from time to time at the option of the holder of such shares, into that number of shares of Common Stock determined by dividing the Series E Stated Value by the Conversion Price, subject to certain beneficial ownership limitations.

During the year ended December 31, 2023, investors converted 0 shares of the Company’s Series E Convertible Preferred Stock into shares of the Company’s common stock.

Series F Convertible Preferred Stock

The Company has designated 5,500,000 shares of Series F Convertible Preferred stock and has 3,088 shares issued and outstanding as of December 31, 2024.

The shares of Series F Preferred Stock have a stated value of \$1,000 per share and are convertible into Common Stock at the election of the holder of the Series F Preferred Stock, at any time following the Original Issue Date at a price of \$5.00 per share, subject to adjustment. Each holder of Series F Preferred Stock shall be entitled to receive, with respect to each share of Series F Preferred Stock then outstanding and held by such holder, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing.

During the year ended December 31, 2024, investors were issued 7,713 shares of Series F Preferred stock for the conversion of notes and exchange of warrants, and converted 4,625 shares of Series F Preferred into 925,000 shares of common stock.

Series G Convertible Preferred Stock

The Company has designated 500,000 shares of Series G Convertible Preferred stock and has 1,904 shares issued and outstanding as of December 31, 2024.

The shares of Series G Preferred Stock have a stated value of \$750 per share and are convertible into Common Stock at the election of the holder of the Series G Preferred Stock, at any time following the Original Issue Date at a price of \$1.00 per share, subject to adjustment. Each holder of Series G Preferred Stock shall be entitled to receive, with respect to each share of Series G Preferred Stock then outstanding and held by such holder, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing. The “Beneficial Ownership Limitation” shall be 4.99% (or, upon election by a Holder prior to the issuance of any shares of Preferred Stock, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder.

During the year ended December 31, 2024, investors were issued 236 shares of Series G Preferred stock for gross proceeds of \$175,000 and issued 559 shares of Series G Preferred for the conversion of notes.

Series H Convertible Preferred Stock

The Company has designated 50,000 shares of Series H Convertible Preferred stock and has 3,798 shares issued and outstanding as of December 31, 2024.

The shares of Series H Preferred Stock have a stated value of \$100 per share and are convertible into Common Stock at the election of the holder of the Series H Preferred Stock, at any time following the Original Issue Date at a price of \$0.257 per share, subject to adjustment. Each holder of Series H Preferred Stock shall be entitled to receive, with respect to each share of Series H Preferred Stock then outstanding and held by such holder, dividends on shares of Preferred Stock equal (on an as-if-converted-to-Common-Stock basis) to and in the same form as dividends actually paid on shares of the Common Stock when, as and if such dividends are paid on shares of the Common Stock. No other dividends shall be paid on shares of Preferred Stock.

The Holder shall be entitled to vote on an as-converted basis (subject to the Beneficial Ownership Limitation), together with the holders of Common Stock, with respect to any question upon which the holders of Common Stock have the right to vote, except as may be otherwise provided by applicable law. Except as otherwise expressly provided herein or as required by law, the Holders and the holders of Common Stock shall vote together and not as separate classes. Moreover, as long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Preferred Stock, (a) alter or change adversely the powers, preferences or rights given to the Preferred Stock or alter or amend this Certificate of Designation, (b) amend its certificate of incorporation or other charter documents in any manner that adversely affects any rights of the Holders, (c) increase the number of authorized shares of Preferred Stock, or (d) enter into any agreement with respect to any of the foregoing. The "Beneficial Ownership Limitation" shall be 4.99% (or, upon election by a Holder prior to the issuance of any shares of Preferred Stock, 9.99%) of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Preferred Stock held by the applicable Holder.

During the year ended December 31, 2024, investors were issued 3,798 shares of Series H Preferred stock for the conversion of outstanding payroll and payables to Key Drivers of the Company.

Common Stock

On January 17, 2023, the Company issued 227 shares pursuant to a conversion of \$51,132 in convertible notes at a price of \$225.25 per share.

On January 25, 2023, the Company entered into a securities purchase agreement with an investor resulting in gross proceeds of \$750,000 to the Company. Pursuant to the terms of the purchase agreement, the Company agreed to sell an aggregate of 3,125 shares of the Company's common stock, par value \$0.001 per share, at a purchase price of \$240 per share.

On January 25, 2023, the Company issued 200 shares of common stock to acquire an additional 24% of Dune, Inc.

On February 7, 2023, the Company issued 2,002 shares of common stock to acquire an additional 11% of Dune, Inc.

On February 8, 2023, in recognition of certain employees having accepted reduced salaries beginning August 22, 2023, the Company issued equity awards totaling 58,342 shares to officers and the employees of the Company. The fair value of these issuances is \$18,085,747.

On February 10, 2023, the Company issued 8,667 shares of its common stock pursuant to a conversion of \$866,650 in convertible notes at a price of \$100 per shares

On February 13, 2023, the Company issued 5,000 shares of its common stock pursuant to a conversion of \$500,000 in convertible notes at a price of \$100 per share.

On February 13, 2023, the Company issued 200 shares of its common stock to acquire an additional 51% of WHE Agency, Inc.

On February 13, 2023, the Company issued 250 shares of its common stock to acquire an additional 5% of Orbit Media, LLC.

On February 14, 2023, the Company issued 21 shares of its restricted common stock to consultants in exchange for services at a fair value of \$5,000.

On February 28, 2023, the Company issued 2,500 shares of its restricted common stock to consultants in exchange for nine months of services at a fair value of \$213,750. The shares issued to the consultant were recorded as common stock issued for prepaid services and will be expensed over the life of the consulting contract to share based payments.

On March 13, 2023, the Company sold 3,000 shares of its common stock pursuant to the Investment Agreement entered into on October 20, 2022, between the Company and Coventry for gross proceeds of \$300,000 to the Company.

Between January 25, 2023 and March 13, 2023, the Company issued 7,367 shares of common stock pursuant to the exercise of 7,367 warrants at an exercise price of \$100 per share for gross proceeds of \$736,810.

On March 14, 2023, the Company issued 89 shares of its restricted common stock to consultants in exchange for services at a fair value of \$5,000.

On March 27, 2023, the Company issued 3,786 shares of its restricted common stock to consultants in exchange for services at a fair value of \$246,061.

On April 26, 2023, the Company issued 1,350 shares of its restricted common stock to consultants in exchange for services at a fair value of \$76,950.

On May 3, 2023, the Company sold 2,820 shares of its common stock pursuant to the Investment Agreement entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$100,000 to the Company. Additionally, the Company issued 5,460 shares of its common stock to Coventry Enterprises at a fair value of \$240,198 as a result of triggering the make-whole feature in the Company's outstanding Equity Line of Credit.

On May 16, 2023, the Company issued 750 shares of its restricted common stock at a fair value of \$16,090 to the First May 2023 Lender as additional consideration for entering into the First May 2023 Loan Agreement.

On May 30, 2023, the Company issued 1,139 shares of its restricted common stock at a fair value of \$34,158 in exchange for the conversion of the remaining Denver Bodega LLC Note Payable.

On May 30, 2023, the Company issued 983 shares of its restricted common stock at a fair value of \$223,734 in exchange for the remaining equity interest in Dune Inc.

On May 31, 2023, the Company issued 200 shares of its restricted common stock to consultants in exchange for services at a fair value of \$5,700.

On June 20, 2023, the Company sold 2,766 shares of its common stock pursuant to the Investment Agreement entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$69,137 to the Company. Additionally, the Company issued 2,356 shares of its common stock to Coventry Enterprises at a fair value of \$50,649 in consideration for an extension on mandatory monthly payments due under the Second October 2022 Loan Agreement.

On June 20, 2023, the Company issued equity awards totaling 12,471 shares to officers and the employees of the Company at a fair value of \$268,120.

On June 29, 2023, the Company issued 2,300 shares of its common stock to consultants in exchange for services at a fair value of \$50,600.

On June 30, 2023, the Company issued 400 shares of its restricted common stock at a fair value of \$244,428 in exchange for the remaining equity interest in Plant Camp LLC.

On July 10, 2023, the Company issued 18,481 shares of common stock pursuant to the exercise of warrants for gross proceeds of \$231,000.

On July 11, 2023, the Company issued 4,500 shares of its restricted common stock at a fair value of \$106,139 as commitment shares pursuant to a promissory note.

On July 28, 2023, the Company issued 2,188 shares of its restricted common stock at a fair value of \$14,874 in exchange for 18% membership interest in Orbit Media LLC.

On July 31, 2023, the Company issued 4,000 shares of its restricted common stock at a fair value of \$23,067 as commitment shares pursuant to a promissory note.

On August 18, 2023, The Company commenced a Regulation CF offering to raise funds at the subsidiary level by issuing convertible preferred stock in Vocal, Inc., a wholly-owned subsidiary of Creatd, Inc. As of December 31, 2023, the Company had sold 10,040 shares of preferred stock for net proceeds of \$65,804. The offering closed in February 2024, with a total of 12,204 shares sold. Prior to this offering, a total of 100,000,000 shares were issued and outstanding, owned by the Company.

The investors had the right to cancel their investment prior to the February 2024 closing, therefore the net proceeds of \$65,804.27 received as of December 31, 2023 were classified as “Deferred offering proceeds” on the Consolidated Balance Sheets.

The preferred stock issued carries limited rights, including no voting rights unless converted into common stock, a fixed liquidation preference, a quarterly dividend right based on the subsidiary’s GAAP net revenues, and a redemption right exercisable after five years at a fixed face value. The preferred stock converts into common stock at a conversion price of \$0.60.

On August 28, 2023, the Company issued 11,047 shares of its common stock pursuant to a conversion of \$138,086 in convertible promissory notes at a price of \$12.50 per share.

On September 5, 2023, the Company issued 4,204 shares of its restricted common stock to consultants in exchange for services at a fair value of \$71,464.

On September 8, 2023, the Company issued 2,000 shares of its restricted common stock to consultants in exchange for services at a fair value of \$30,000.

On September 14, 2023, the Company issued 5,500 shares of its restricted common stock to consultants in exchange for services at a fair value of \$52,250.

On September 5, 2023, the Company sold 8,256 shares of its common stock pursuant to the Investment Agreement entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$97,142 to the Company.

On September 18, 2023, the Company issued 7,718 shares of its common stock pursuant to a conversion of \$96,468 in convertible promissory notes at a price of \$12.50 per share.

On September 26, 2023, the Company issued 1,250 shares of its restricted common stock at a fair value of \$13,125 pursuant to an extension for a monthly payment on a promissory note.

On October 3, 2023, the Company issued 12,000 shares of its common stock pursuant to a conversion of \$150,000 in convertible promissory notes.

On October 6, 2023, the Company issued 10,000 shares of its restricted common stock at a fair value of \$110,000 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On October 11, 2023, the Company issued 3,056 shares of its common stock pursuant to a conversion of \$30,000 in convertible promissory notes.

On October 13, 2023, the Company issued 343 shares of its common stock pursuant to a conversion of \$4,285 in convertible promissory notes.

On October 13, 2023, the Company issued 11,507 shares of common stock at a fair market value of \$212,878 to settle \$345,208 in liabilities related to severance payments.

On October 20, 2023, the Company sold 8,485 shares of its common stock pursuant to the Investment Agreement entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$75,000 to the Company.

On October 23, 2023, the Company entered into securities purchase agreements with 8 investors resulting in gross proceeds of \$206,500 to the Company. Pursuant to the terms of the purchase agreement, the Company agreed to sell an aggregate of 24,259 shares of the Company's common stock, par value \$0.001 per share, at a purchase price of \$8.50 per Share.

On October 23, 2023, the Company issued 3,000 shares of its restricted common stock at a fair value of \$33,000 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On October 27, 2023, the Company issued 4,500 shares of its common stock to two former employees at a fair market value of \$38,250 to settle \$45,000 in outstanding severance.

On November 1, 2023, the Company issued 10,000 shares of its common stock at a fair market value of \$46,512 as commitment shares pursuant to a promissory note.

On November 2, 2023, the Company issued 13,053 shares of its restricted common stock at a fair value of \$117,474 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On November 3, 2023, the Company sold 8,058 shares of its common stock pursuant to the Investment Agreement entered into on the October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$43,839 to the Company.

On November 9, 2023, the Company issued 22,000 shares of its common stock to consultants in exchange for services at a fair value of \$143,000.

On November 20, 2023, the Company sold 7,342 shares of its common stock pursuant to the Investment Agreement entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$33,833 to the Company.

On November 27, 2023, the Company issued 9,000 shares of its restricted common stock at a fair value of \$63,000 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On November 30, 2023, the Company sold 6,871 shares of its common stock pursuant to the Investment Agreement entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$30,000 to the Company.

On December 1, 2023, the Company issued 4,688 shares of its common stock pursuant to a conversion of \$15,000 in convertible promissory notes.

On December 5, 2023, the Company issued 5,173 shares of its common stock pursuant to a conversion of \$15,000 in convertible promissory notes.

On December 6, 2023, the Company issued 15,000 shares of its common stock pursuant to a conversion of \$75,000 in convertible promissory notes.

On December 11, 2023, the Company issued 5,749 shares of its common stock pursuant to a conversion of \$14,083 in convertible promissory notes.

On December 12, 2023, the Company sold 10,117 shares of its common stock pursuant to the Investment Agreement entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$36,333 to the Company.

On December 15, 2023, the Company issued 16,000 shares of common stock pursuant to the exercise of warrants for gross proceeds of \$80,000.

On December 22, 2023, the Company issued 22,000 shares of its restricted common stock at a fair value of \$110,000 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On January 4, 2024, the Company sold 14,704 shares of its common stock pursuant to the Investment Agreement entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$27,728 to the Company.

On January 9, 2024, the Company issued 20,000 shares of its common stock pursuant to a conversion of \$100,000 in convertible notes.

On January 10, 2024, the Company issued 14,000 shares of its restricted common stock at a fair value of \$28,000 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On January 24, 2024, the Company effectuated a 1-for-500 reverse stock split. 18,920 shares with a fair value of \$64,328 were issued pursuant to rounding from this reverse stock split.

On February 12, 2024, the Company issued 16,424 shares of its common stock pursuant to a conversion of \$82,120 in convertible notes.

On February 28, 2024, the Company issued 2,300 shares at a fair value of \$11,270 to settle outstanding liabilities.

On March 12, 2024, the Company issued 20,000 shares with a fair value of \$132,000 to 2 vendors for services, 7,143 shares in exchange for gross proceeds of \$25,000 in cash.

On March 14, 2024, the Company issued 15,000 shares with a fair value of \$120,000 to a vendor for services.

On March 15, 2024, the Company issued 1,287 shares pursuant to a conversion of \$4,500 in promissory notes.

On March 15, 2024, 6 investors converted 1,562 shares of Preferred Series F stock into 312,400 shares of common stock.

On March 19, 2024, the Company issued 5,000 shares pursuant to the conversion of \$40,000 in convertible notes.

On March 20, 2024, 1 investor converted 120 shares of Preferred Series F stock into 24,000 shares of common stock.

On March 22, 2024, the Company issued 51,895 shares of common stock to a vendor to settle outstanding liabilities.

On March 26, 2024, the Company sold 23,848 shares of its common stock pursuant to the Investment Agreement

entered into on October 20, 2022, between the Company and Coventry Enterprises for gross proceeds of \$83,872.

On March 25, 2024, the Company issued 3,000 shares of its restricted common stock at a fair value of \$16,707 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On March 26, 2024, the Company issued 3,500 shares of its restricted common stock at a fair value of \$16,625 as commitment shares pursuant to the extension of the maturity date of a promissory note.

On April 8, 2024, the Company issued 10,000 shares of its restricted common stock for gross proceeds of \$25,000.

On April 22, 2024, the Company issued 703,281 shares of common stock with a fair value of \$1.81 per share in exchange for payables owed to employees and consultants.

On May 28, 2024, the Company issued 55,000 shares of common stock with a fair value of \$99,000 to a vendor for services rendered.

On June 7, 2024, the Company issued 219,535 shares of common stock with a fair value of \$1.79 per share in exchange for payables owed to employees and consultants.

Between June 25 and June 27, 2024, the Company issued 542,600 shares of common stock for the conversion of 2,713 shares of Series F Preferred.

On June 26, 2024, the Company issued 216,704 shares of common stock with a fair value of \$1.59 per share in exchange for payables owed to employees and consultants.

On July 2, 2024, the Company issued 231,815 shares of common stock in exchange for \$273,542 in convertible notes payable.

On July 5, 2024, the Company issued 2,060 shares of common stock with a fair value of \$2,266 to an investor for fees and penalties associated with a convertible note.

On July 8, 2024, the Company issued 9,615 shares of common stock with a fair value of \$10,288 to a vendor for services rendered.

On July 10, 2024, the Company issued 275,000 shares of common stock in exchange for \$330,000 in notes payable.

On July 15, 2024, the Company issued 128,205 shares of common stock in exchange for \$41,129 in notes payable.

On July 17, 2024, the Company acquired 0.5% of equity in Hollywall Entertainment Inc., in exchange for 16,578 shares of the Company's common stock.

On July 22, 2024, the Company issued 171,039 shares of common stock in exchange for \$133,411 in notes payable and 10,451 shares with a fair value of \$9,414 as penalties and fees.

On July 24, 2024, the Company issued 165,000 shares with a fair market value of \$155,100 to a vendor for services rendered.

On July 25, 2024, the Company issued 100,000 shares of common stock for the conversion of 500 shares of Series F preferred stock.

On July 27, 2024, the Company acquired 100% of equity in S96 NYC LLC, DBA Studio 96 Publishing, in exchange for 35,000 shares of the Company's common stock and 65,000 warrants.

On July 29, 2024, the Company issued 81,924 shares of common stock for the conversion of \$98,309 in notes payable.

Between July 31, 2024 and August 1, 2024, the Company issued 61,000 shares of common stock for the conversion of 305 shares of preferred series F stock.

On August 13, 2024, the Company issued 125,000 shares of common stock in exchange for \$120,000 in accounts payable outstanding to a vendor.

On August 20, 2024, the Company issued 10,000 shares of common stock with a fair value of \$8,400 to 2 vendors for services rendered.

On September 12, 2024, the Company issued 161,346 shares of common stock for the conversion of \$41,429 in notes payable.

On September 27, 2024, the Company issued 572 shares with a fair value of \$217 to 2 vendors for services rendered.

On September 30, 2024, the Company rescinded 1,083,021 shares of common stock previously issued for the conversion of accounts payable.

On October 1, 2024, 2 investors rescinded a conversion of 575 shares of Preferred Series F stock, causing the cancellation of 115,000 shares of common stock and the re-issuance of 575 shares of Preferred Series F stock.

On November 5, 2024, a noteholder converted \$54,000 in principal for 150,000 shares of common stock.

On November 7, 2024, the Company issued 107,698 shares with a fair market value of \$77,536 to consultants for services rendered.

On November 11, 2024, the Company acquired 5% of equity in THEPOWERHOUSE, LLC, the parent company of thehouseofarts.com and several influential ventures spanning art, fashion, and design. As consideration for this acquisition, The Powerhouse LLC received 333,333 shares of the Company's common stock.

On November 12, 2024, Jessica Skube and the Company executed a settlement agreement for the matter of Skub v WHE Agency Inc., et al. As part of the agreement, Ms. Skube received 150,000 shares of the Company's common stock, with an additional 35,000 shares of common stock issued in legal fees.

On November 18, 2024, the Company entered into a purchase agreement with 2 investors whereby the Company issued 26,666 shares of common stock for net proceeds of \$20,000.

On November 25, 2024, the Company entered into agreements with 2 vendors to settle a total of \$665,620 in accounts payable for 437,347 shares of common stock and 975 shares of Series G Preferred.

On November 26, 2024, the Company acquired 1% of equity in Enzylotics, Inc. a biotechnology company focused on developing in the pharmaceutical industry. As consideration for this acquisition, Enzylotics received 39,824 shares of the Company's common stock.

On December 2, 2024, a noteholder converted \$9,683 in principal into 57,635 shares of common stock.

On December 10, 2024, the Company entered into a purchase agreement with 2 investors whereby the Company issued 100,000 shares of common stock for net proceeds of \$40,000.

On December 18, 2024, the Company issued 5,998 shares with a fair market value of \$2,079 to consultants for services rendered.

On December 23, 2024, the Company entered into agreements with 2 vendors to settle a total of \$13,400 in accounts payable for 13,400 common shares.

Stock Options

The assumptions used for options granted during the twelve months ended December 31, 2024 and 2023, are as follows:

| | December 31, 2024 |
|-------------------------|--------------------------|
| Exercise Price | \$1.78-1.92 |
| Expected dividends | 0% |
| Expected volatility | 192.69-197.51% |
| Risk free interest rate | 4.17-4.69% |
| Expected life of option | 5 years |

| | December 31, 2023 |
|-------------------------|--------------------------|
| Exercise Price | 15 |
| Expected dividends | 0% |
| Expected volatility | 180.97% |
| Risk free interest rate | 4.40% |
| Expected life of option | 5 years |

The following is a summary of the Company's stock option activity:

| | Options | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (in years) |
|---|----------------|--|---|
| Balance – December 31, 2022 – outstanding | 8,817 | 2,025 | 4.29 |
| Granted | 136,000 | 15.00 | 10.01 |
| Exercised | - | - | - |
| Forfeited/Cancelled | - | - | - |
| Balance – December 31, 2023 – outstanding | 144,817 | 135.00 | 9.31 |
| Granted | 1,928,751 | 0.39 | 10.01 |
| Exercised | - | - | - |
| Forfeited/Cancelled | - | - | - |
| Balance – December 31, 2024 – outstanding | 2,073,568 | 8.93 | 8.84 |
| Balance – December 31, 2024 – exercisable | 2,072,306 | 8.45 | 8.84 |

| Option Outstanding | | | Option Exercisable | | |
|--|---------------------------|---|--|---------------------------|---|
| Weighted Average Exercise Price | Number Outstanding | Weighted Average Remaining Contractual Life (in years) | Weighted Average Exercise Price | Number Exercisable | Weighted Average Remaining Contractual Life (in years) |
| \$ 8.93 | 2,073,568 | 8.84 | 8.45 | 2,072,306 | 8.84 |

Stock-based compensation for stock options has been recorded in the consolidated statements of operations and totaled \$892,242, for the year ended December 31, 2023.

Stock-based compensation for stock options has been recorded in the consolidated statements of operations and totaled \$3,567,402, for the year ended December 31, 2024.

As of December 31, 2023, there was \$1,239,912 of total unrecognized compensation expense related to unvested employee options granted under the Company's share-based compensation plans that is expected to be recognized over a weighted average period of approximately 0.58 years.

As of December 31, 2024, there was \$0 of total unrecognized compensation expense related to unvested employee options granted under the Company's share-based compensation plans.

On February 12, 2024, the Company issued 958,751 stock options with an exercise price of \$1.92, a vesting date of August 1, 2024, and an expiration date of February 12, 2028.

On April 30, 2024, the Company issued 970,000 stock options with an exercise price of \$1.78, a vesting date of August 1, 2024, and an expiration date of April 30, 2028.

On February 12, 2024, the Company's Board voted to lower the exercise price of 136,000 stock options from \$15 to \$1.92.

On April 30, 2024, the Company's Board voted to lower the exercise price of 1,094,751 stock options from \$1.92 to \$1.78.

On August 9, 2024, the Company's Board voted to lower the exercise price of 2,064,751 stock options from \$1.78 to \$0.87.

On September 23, 2024, the Company's Board voted to lower the exercise price of 2,064,751 stock options from \$0.87 to \$0.31.

Warrants

The Company applied fair value accounting for all share-based payments awards. The fair value of each warrant granted is estimated on the date of grant using the Black-Scholes option-pricing model.

Warrant Activities

The assumptions used for warrants granted during the twelve months ended December 31, 2024 and 2023, are as follows:

| | December 31, 2024 |
|---------------------------|--------------------------|
| Exercise Price | \$0.40 - 5.00 |
| Expected dividends | 0% |
| Expected volatility | 186.94% - 196.79% |
| Risk free interest rate | 3.43% - 4.66% |
| Expected life of warrants | 5 years |
| | |
| | December 31, 2023 |
| Exercise Price | 10 - 385 |
| Expected dividends | 0% |
| Expected volatility | 179.31% - 187.30% |
| Risk free interest rate | 3.52% - 4.81% |
| Expected life of warrants | 5 years |

The following is a summary of the Company's warrant activity:

| | Warrant | Weighted Average Exercise Price |
|---|----------------|--|
| Balance – December 31, 2022 – outstanding | 32,524 | \$1,471.05 |
| Granted | 1,983,234 | \$4.89 |
| Exercised | (42,018) | \$36.39 |
| Forfeited/Cancelled | (1,138) | \$0.00 |
| Balance – December 31, 2023 – outstanding | 1,972,602 | \$17.92 |
| Granted | 32,046,960 | \$1.54 |
| Exercised | - | \$0.00 |
| Forfeited/Cancelled | (1,183,076) | \$49 |
| Balance – December 31, 2024 – outstanding | 32,836,486 | \$28 |
| Balance – December 31, 2024 – exercisable | 32,836,486 | \$28 |

| Warrants Outstanding | | | Warrants Exercisable | | |
|--|-------------------------------|---|--|-------------------------------|---|
| Weighted Average Exercise Price | Number Outstanding | Weighted Average Remaining Contractual Life (in years) | Weighted Average Exercise Price | Number Exercisable | Weighted Average Remaining Contractual Life (in years) |
| \$0.28 | 32,836,486 | 3.33 | \$0.28 | 32,836,486 | 3.33 |

During the year ended December 31, 2023, the Company granted warrant holders 44,499 warrants with a fair value of \$2,543,194 to exercise existing warrants.

A deemed dividend of \$32,554,410 was recorded to the Consolidated Statements of Operations and Comprehensive Loss, of which \$3,004,782 as in relation to the issuance of new warrants and \$29,549,628 was in relation to the trigger of down round provision in outstanding warrants.

During the year ended December 31, 2023, a total of 18,935 warrants with a fair value of \$265,268 were issued with convertible notes and promissory notes.

During the year ended December 31, 2023, a total of 48,588 warrants with a fair value of \$461,588 were issued with the sale of common stock.

During the year ended December 31, 2024, a deemed dividend of \$24,134,100 was recorded to the Consolidated Statements of Operations and Comprehensive Loss, of which \$4,876,022 as in relation to the issuance of new warrants and \$18,258,078 was in relation to the trigger of down round provision in outstanding warrants.

During the year ended December 31, 2024, a total of 411,234 warrants with a fair value of \$383,515 were issued with convertible notes and promissory notes.

During the year ended December 31, 2024, a total of 5,365,866 warrants with a fair value of \$5,026,019 were issued with the sale of common stock, the conversion of promissory notes, or the conversion of payables.

Note 10 – Commitments and Contingencies

Litigation

Skube v. WHE Agency Inc., et al

A complaint against WHE, Creatd and Jeremy Frommer filed December 22, 2022, was filed in the Supreme Court of the State of New York, New York County, by Jessica Skube, making certain claims alleging conversion, trespass to chattel, unjust enrichment, breach of contract, fraud in the inducement, seeking damages of \$161,000 and punitive damages of \$500,000. Skube filed an Order to Show Cause, which the Company opposed, which was denied. As of December 31, 2023 and 2022, the Company had a balance of \$191,360 accrued for Miss Skube, which is included within accounts payable and accrued liabilities on the consolidated balance sheets.

On November 12, 2024, Jessica Skube and the Company executed a settlement agreement. As part of the agreement, Ms. Skube received 150,000 shares of the Company's common stock, with an additional 35,000 shares of common stock issued in legal fees.

Lind Global v. Creatd, Inc.

A complaint against Creatd dated September 21, 2022, has been filed in the Supreme Court of the State of New York, New York County, by Lind Global Macro Fund LP and Lind Global Fund II LP, making certain claims alleging breach of contract related to two Securities Purchase Agreements executed on May 31, 2022, seeking damages in excess of \$920,000. The Company filed a Motion to Dismiss, which was denied. The Company then submitted an Answer, and was awaiting a response as of December 31, 2023.

The Company accrued \$990,000 in principal and \$119,614 in interest in 2022, and \$0 in additional principal and \$178,200 in interest in 2023.

On March 13, 2024, the Company reached a settlement agreement and general release regarding Lind Global vs Creatd, Inc. In exchange for a grant of security interest on the outstanding debentures, an increase of principal value and interest rate, a reduction of conversion price, and the exchange of outstanding warrants for 150 shares of the Company's Preferred Series F stock, Lind Global agreed to extend the Maturity Date to 18 months from the date of the agreement and submit a stipulation of discontinuance with the court.

During the twelve months ended December 31, 2024, this note accrued interest of \$88,301. This note was outstanding as of December 31, 2024.

Inflation Reduction Act of 2022

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was signed into law. The IRA includes a 15% Corporate Alternative Minimum Tax ("Corporate AMT") for tax years beginning after December 31, 2022. The Company does not expect the Corporate AMT to have a material impact on its consolidated financial statements. Additionally, the IRA imposes a 1% excise tax on net repurchases of stock by certain publicly traded corporations. The excise tax is imposed on the value of the net stock repurchased or treated as repurchased. The new law will apply to stock repurchases occurring after December 31, 2022.

Lease Agreements

The Company currently does not own any properties. Its corporate headquarters consists of a total of 8,000 square feet and is located at 419 Lafayette Street, 6th Floor, New York, NY, 10003. The current lease term is 7 years commencing May 1, 2022. The total amount remaining under this lease is \$1,798,758.

On July 28, 2022, the Company signed a 3-year lease for approximately 1,364 square feet of office space at 1674 Meridian Ave., Miami Beach, FL, 33131. Commencement date of the lease is July 28, 2022. The total amount due under this lease is \$181,299. During the year ended December 31, 2022, it was decided the Company would not be using the office space and recorded an impairment of \$101,623 on the right-of-use asset, which is included within impairment of intangible assets on the consolidated statements of operations and comprehensive loss. As of December 31, 2024, the Company is in breach of this lease agreement.

On September 9, 2021, the Company signed a 1-year lease for approximately 3,200 square feet at 648 Broadway, Suite 200, New York, NY 10012. Monthly rent under the lease was \$12,955 for the leasing period. As of December 31, 2023, the Company is in breach of this lease agreement and owes \$30,108 in rent, which is included in accounts payable and accrued liabilities on the consolidated balance sheets. The Company vacated this office on May 1, 2022.

Operating lease right-of-use assets and liabilities are recognized at the present value of the future lease payments at the lease commencement date. The interest rate used to determine the present value is the Company's incremental borrowing rate, estimated to be 12.5%, as the interest rate implicit in most of its leases is not readily determinable. Operating lease expense is recognized on a straight-line basis over the lease term.

During the years ended December 31, 2024 and 2023, the Company recorded \$488,047 and \$464,183 as operating lease expense which is included in general and administrative expenses on the consolidated statements of operations and comprehensive loss, respectively.

The components of the lease expense were as follows:

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|-----------------------|------------------------------------|------------------------------------|
| Operating lease cost | \$ 488,047 | \$ 464,183 |
| Short term lease cost | - | - |
| Total net lease cost | \$ 488,047 | \$ 464,183 |

Supplemental cash flow and other information related to leases was as follows:

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|---|------------------------------------|------------------------------------|
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating lease payments | 323,292 | 323,292 |
| Weighted average remaining lease term (in years): | 6.25 | 6.25 |
| Weighted average discount rate: | 12.50% | 12.50% |

Operating right-of-use assets are summarized below.

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|-------------------------------|------------------------------------|------------------------------------|
| Office Lease | \$ 2,243,971 | \$ 2,412,221 |
| Less accumulated amortization | (610,764) | (489,109) |
| Right-of-use, net | \$ 1,633,207 | \$ 1,923,112 |

Operating lease liabilities are summarized below

| | Year Ended December 31, 2024 | Year Ended December 31, 2023 |
|-----------------------|------------------------------------|------------------------------------|
| Office Lease | \$ 1,822,053 | \$ 2,087,423 |
| Less: current portion | (547,439) | (532,689) |
| Long term portion | \$ 1,274,614 | \$ 1,554,734 |

Total future minimum payments required under the lease as of December 31, are as follows:

| For the Twelve Months Ended December 31, | Operating Leases |
|---|-----------------------------|
| 2025 | 517,231 |
| 2026 | 532,424 |
| 2027 | 548,073 |
| 2028 | 564,191 |
| Thereafter | 189,821 |
| Total | 2,351,7929 |
| Less imputed interest | (797,006) |
| PV of Payments | \$ 1,554,786 |

Nasdaq Notice of Delisting

On September 2, 2022, the Company received a letter from the staff of The Nasdaq Capital Market notifying the Company that the Nasdaq Hearings Panel has determined to delist the Company's common stock from the Exchange, based on the Company's failure to comply with the listing requirements of Nasdaq Rule 5550(b)(1) as a result of the Company's shareholder equity deficit for the period ended June 30, 2022, as demonstrated in Company's Quarterly Report on Form 10-Q filed on August 15, 2022, following the Company having not complied with the market value of listed securities requirement in Nasdaq Rule 5550(b)(2) on March 1, 2022, while the Company was under a Panel Monitor, as had been previously disclosed. Suspension of trading in the Company's shares on the Exchange became effective at the opening of business on September 7, 2022, at which time the Company's common stock, under the symbol "CRTD," and publicly-traded warrants, under the symbol "CRTDW," was quoted on the OTCPink marketplace operated by OTC Markets Group Inc.

Following passage of the prescribed 15-day time period for appeal as stated in the Letter, on October 26, 2022, Nasdaq completed the delisting by filing a Form 25 Notification of Delisting with the Securities and Exchange Commission.

The Company's common stock, under the symbol "CRTD," is quoted on the OTCQB marketplace operated by OTC Markets Group Inc. effective as of September 26, 2022. Effective April 4, 2023, the Company's symbol changed to "VOCL." The Company's publicly-traded warrants, under the symbol "CRTDW," are quoted on the OTCPink marketplace operated by OTC Markets Group Inc.

Employment Agreements

As of December 31, 2024, the Company does not have employment agreements with its executives or any other employees.

Executive Separation Agreement

On September 2, 2022, the Company entered into an Executive Separation Agreement with Laurie Weisberg the Company's Chief Executive Officer and member of the Board of Directors setting forth the terms and conditions related to the Executive's resignation for good reason as Chief Executive Officer, Director and any other positions held with the Company or any subsidiary.

The Company will pay severance in the aggregate amount of \$475,000, payable as follows: (i) 1/24 will be paid on each of September 15, 2022, October 1, 2022 and November 1, 2022, respectively; (ii) 1/8 will be paid on each of December 1, 2022, January 1, 2023 and February 1, 2023, respectively; (iii) 1/4 will be paid on April 1, 2023; and (iv) the balance will be paid on May 1, 2023. The Company has executed and delivered a Confession of Judgment concerning the severance amount, which is being held in escrow pending satisfaction of payment.

Additionally, all unvested and/or outstanding stock options held by Ms. Weisberg as of the date of the separation agreement that are not subject to metric based vesting shall automatically and fully vest. All unvested and/or

outstanding stock options held by Ms. Weisberg as of the date of the separation agreement that are subject to metric based vesting shall vest in accordance with their respective original terms.

As of December 31, 2022, the Company had an accrued severance balance of \$415,208 for Ms. Weisberg as part of its accounts payable and accrued expenses, and as of December 31, 2023, there was no remaining balance.

Note 11 – Acquisitions

Studio 96 Publishing

Creatd acquired 100% of the membership interests in S96 NYC, LLC (Studio 96 Publishing) from Ayelet Abitbul, with the transaction effective as of July 26, 2024. The terms of the acquisition involved Creatd issuing 35,000 shares of common stock at a cost basis of \$1.20 per share and 65,000 warrants with an exercise price of \$1.20.

Hollywall Entertainment, Inc.

Creatd entered into a strategic securities swap agreement with Hollywall Entertainment, Inc. on July 17, 2024. Under this agreement, Creatd issued 16,578 shares of its common stock (CRTD) to Hollywall, while Hollywall issued 726,769 shares of its common stock (HWAL) to Creatd. This swap represents a minimum of 0.5% equity in each company, with the agreement forming part of a broader commitment towards potential expanded collaboration, subject to further due diligence. The agreement outlines confidentiality measures and is non-binding outside of the stock exchange

Geopulse Explorations, Inc.

On August 20, 2024, the Company acquired 0.5% of equity in Geopulse Explorations, Inc. a holding company focused on owning and developing technologies in the cannabis industry. As consideration for this acquisition, Geopulse Explorations received 21,675 shares of the Company's common stock.

Murge E-Commerce, Inc.

On September 20, 2024, Creatd entered into a definitive agreement with Murge E-commerce Inc., acquiring a 49% equity stake in Murge in exchange for establishing an equity reserve. Murge's initial assets include Letters of Intent with four named, target companies, each meeting a collective \$30 million in revenue for 2024. Creatd's equity stake is protected by anti-dilution measures contingent upon successful acquisitions. Financing utilizes non-dilutive Creatd preferred shares backed by a 100 million share reserve, capped at 4.99% voting rights for new holders. The agreement includes a 90-day exclusivity period and mandates confidentiality regarding transaction terms.

Investment in The Powerhouse, LLC

On November 11, 2024, the Company acquired 5% of equity in THEPOWERHOUSE, LLC, the parent company of thehouseofarts.com and several influential ventures spanning art, fashion, and design. As consideration for this acquisition, The Powerhouse LLC received 333,333 shares of the Company's common stock.

Enzylotics, Inc.

On November 26, 2024, the Company acquired 1% of equity in Enzylotics, Inc. a biotechnology company focused on developing in the pharmaceutical industry. As consideration for this acquisition, Enzylotics received 39,824 shares of the Company's common stock.

Note 12 – Discontinued Operations

During the fiscal year ended 2023, Creatd, Inc. disposed of a series of five subsidiaries: WHE Agency, Plant Camp, Dune, Denver Bodega, and Brave. Denver Bodega and Brave were acquired by another, non-affiliated entity and Plant Camp, WHE Agency, and Dune ceased operations, all due to a strategic shift in the Company to focus on its

flagship product, Vocal. Due to these and other circumstances surrounding the disposal, Management believes the disposal of the five subsidiaries may be classified as discontinued operations on the Company's consolidated financial statements. As of the end of the financial year, the results from these subsidiaries are presented separately on the consolidated statements of operations and comprehensive loss as discontinued operation.

An analysis of the financial results of the discontinued operation is as follows:

Discontinued Operations Consolidated Balance Sheets

| | For the Year Ended December 31, 2023 | For the Year Ended December 31, 2022 |
|---|---|--|
| Assets | | |
| Current assets | | |
| Cash | \$ 2,150 | \$ 32,450 |
| Accounts receivable, net | - | 86,852 |
| Inventory | - | 374,845 |
| Prepaid expenses and other current assets | - | 40,681 |
| Total Current assets | 2,150 | 534,828 |
| Intangible assets | - | 207,301 |
| Goodwill | - | 46,460 |
| Deposits and other assets | - | 2,600 |
| Total Assets | \$ 2,150 | \$ 791,189 |
| Liabilities and Stockholders' Deficit | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | \$ - | \$ 2,132,322 |
| Note payable, net of debt discount and issuance costs | - | 184,160 |
| Deferred revenue | - | 24,392 |
| Total Current Liabilities | - | 2,340,874 |
| Investment from Parent | - | 6,038,140 |
| Total Liabilities | - | 8,379,014 |
| Stockholders' Equity (Deficit) | | |
| Accumulated deficit | 2,150 | (6,133,417) |
| Accumulated other comprehensive income | - | - |
| Total Creatd, Inc. Stockholders' Equity (Deficit) | 2,150 | (6,133,417) |
| Non-controlling interest in consolidated subsidiaries | - | (1,454,408) |
| Total Liabilities and Stockholders' Equity (Deficit) | \$ 2,150 | \$ 791,189 |

As of December 31, 2022, the discontinued subsidiaries held \$791,189 in assets. These assets were primarily accounts receivable attributable to WHE Agency, inventory primarily attributable to Dune, Denver Bodega, and Plant Camp, and the intangible assets of Denver Bodega and Brave. As of December 31, 2023, all assets had been transferred to the parent company, assigned to a third party, or disposed of.

As of December 31, 2022, the discontinued subsidiaries held \$2,340,874 in liabilities. These liabilities were primarily comprised of accounts payable and accrued liabilities for WHE Agency, Plant Camp, and Dune and notes

payable for Denver Bodega. As of December 31, 2023, all liabilities had been transferred to the parent company or assumed by a third party.

Discontinued Operations Consolidated Statements of Operations

| | For the Year Ended December 31, 2023 | For the Year Ended December 31, 2022 |
|--|---|---|
| Net revenue | \$ 662,987 | \$ 2,473,147 |
| Cost of revenue | 884,565 | 3,476,118 |
| Gross loss | (221,578) | (1,002,971) |
| Operating expenses | | |
| Compensation | 265,969 | 1,605,594 |
| Marketing | 291,173 | 1,675,083 |
| Impairment of goodwill | 46,460 | - |
| Impairment of intangible assets | 109,622 | 3,339,530 |
| General and administrative | 175,822 | 1,284,048 |
| Total operating expenses | 889,046 | 7,904,255 |
| Loss from operations | (1,110,624) | (8,907,226) |
| Other income (expenses) | | |
| Other income | - | 98 |
| Interest expense | (7,830) | (3,981) |
| Accretion of debt discount and issuance cost | - | (7,087) |
| Settlement of vendor liabilities | 183,908 | - |
| Other income (expenses), net | 176,078 | (10,970) |
| Loss before income tax provision | (934,546) | (8,918,196) |
| Income tax provision | - | - |
| Net Loss | (934,546) | (8,918,196) |
| Non-controlling interest in net loss | - | 3,335,603 |
| Net Loss attributable to Creatd, Inc. | \$ (934,546) | \$ (5,582,593) |

Revenue for the discontinued entities was \$662,987 for the year ended December 31, 2023, as compared to \$2,473,147 for the year ended December 31, 2022. Cost of revenue for the discontinued entity for the year ended December 31, 2023, was \$884,565 as compared to \$3,476,118 for the year ended December 31, 2022. Operating expenses for the discontinued entities for the year ended December 31, 2023, were \$889,046 as compared to \$7,904,255 for the year ended December 31, 2022. Loss from operations for the discontinued entities for the year ended December 31, 2023, was \$1,110,624 as compared to \$8,907,226 for the year ended December 31, 2022.

Note 13 –Income Taxes

Components of deferred tax assets are as follows:

| | December 31, 2024 | December 31, 2023 |
|---|----------------------|----------------------|
| Net deferred tax assets – Non-current: | | |
| Depreciation | \$ (66,080) | \$ (146,938) |
| Amortization | - | - |
| Stock based compensation | 9,569,072 | 20,165,067 |
| Expected income tax benefit from NOL carry-forwards | 6,253,203 | 5,810,345 |
| Less valuation allowance | (15,756,195) | (25,828,474) |
| Deferred tax assets, net of valuation allowance | \$ - | \$ - |

Income Tax Provision in the Consolidated Statements of Operations

A reconciliation of the federal statutory income tax rate and the effective income tax rate as a percentage of income before income taxes is as follows:

| | For the Year Ended December 31, 2023 | For the Year Ended December 31, 2022 |
|--|--|--|
| Federal statutory income tax rate | 21.0% | 21.0% |
| State tax rate, net of federal benefit | 7.1% | 7.1% |
| Change in valuation allowance on net operating loss carry-forwards | (28.1)% | (28.1)% |
| Effective income tax rate | 0.0% | 0.0% |

Based on the available objective evidence, management believes it is more likely than not that the net deferred tax assets of the Company will not be fully realizable for the years ended December 31, 2024 and 2023. Accordingly, management applied a full valuation allowance against net deferred tax assets as of December 31, 2024 and 2023. The valuation allowance for 2024 was \$(15,756,195), in comparison to a valuation allowance in 2022 of \$(25,828,474), a decrease in valuation allowance of \$10,072,279.

As of December 31, 2024, the Company had approximately \$65.1 million of federal net operating loss carryforwards available to reduce future taxable income which will begin to expire in 2035 for both federal and state purposes.

On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (the “Act”) was signed into law making significant changes to the Internal Revenue Code of 1986, as amended (the “Code”). The Act reduces the federal corporate income tax rate from 35% to 21% effective for tax years beginning after December 31, 2017. ASC 470 requires the Company to remeasure the existing net deferred tax asset in the period of enactment. The Act also provides for immediate expensing of 100% of the costs of qualified property that is incurred and placed in service during the period from September 27, 2017, to December 31, 2022. Beginning January 1, 2023, the immediate expensing provision is phased down by 20% per year until it is completely phased out as of January 1, 2027. Additionally, effective January 1, 2018, the Act imposes possible limitations on the deductibility of interest expense. As a result of the provisions of the Act, the Company’s deduction for interest expense could be limited in future years. The effects of other provisions of the Act are not expected to have a material impact on the Company’s consolidated financial statements.

On December 22, 2017, the SEC staff issued Staff Accounting Bulletin No. 118 (“SAB 118”) to provide guidance on accounting for the tax effects of the Act. SAB 118 provides a measurement period that begins in the reporting period that includes the Act’s enactment date and ends when an entity has obtained, prepared and analyzed the information that was needed in order to complete the accounting requirements under ASC 720. However, in no circumstance should the measurement period extend beyond one year from the enactment date. In accordance with SAB 118, a company must reflect in its financial statements the income tax effects of those aspects of the Act for which the accounting under ASC 740 is complete. SAB 118 provides that to the extent that a company’s accounting for certain income tax effects of the Tax Act is incomplete, but it is able to determine a reasonable estimate, it must record a provisional estimate in the consolidated financial statements.

The Company does not reflect a deferred tax asset in its financial statements but includes that calculation and valuation in its footnotes. We are still analyzing the impact of certain provisions of the Act and refining our calculations. The Company will disclose any change in the estimates as it refines the accounting for the impact of the Act.

Federal and state tax laws impose limitations on the utilization of net operating losses and credit carryforwards in the event of an ownership change for tax purposes, as defined in Section 382 of the Internal Revenue Code. Accordingly, the Company’s ability to utilize these carryforwards may be limited as a result of an ownership change which may have already happened or may happen in the future. Such an ownership change could result in a limitation in the use of the net operating losses in future years and possibly a reduction of the net operating losses available.

Note 14 – Subsequent Events

Consultant Shares

Subsequent to December 31, 2024, the Company issued 125,000 shares to 3 consultants.

Conversion of Series F Preferred into Common Stock

Subsequent to December 31, 2024, 2 holders converted shares of Series F Preferred stock into 167,000 shares of common stock.

Purchase of Series G Preferred

Subsequent to December 31, 2024, the Company issued 1,657 shares of its Preferred Series G stock in exchange for \$1,231,000 to 26 investors, at a price of \$750 per share of Series G Preferred. Each Series G Preferred converts into 750 shares of the Company’s common stock.

Conversion of Warrants into Common Stock

Subsequent to December 31, 2024, employees, directors and consultants of the Company converted 1,124,100 warrants into 4,496,400 shares of common stock.

Acquisition of Flewber Global, Inc.

Subsequent to December 31, 2024, the Company acquired Flewber Global, Inc for a total of \$8,335,724. As part of this acquisition, the Company issued 857,280 shares of common stock, 9,543 shares of Series G Preferred Stock, and 7,510,058 warrants to purchase common stock. The Fair Market Value of the warrants issued is calculated to be \$0.90.